



## Caspian Summit in Astrakhan Makes 'Breakthrough' on Road to Convention

By Malika Orazgaliyeva

The presidents of the five Caspian littoral states reached several important agreements, including an agreement on the conservation of marine resources, on their way to settling the legal status of the sea at the fourth Caspian Summit in Astrakhan, Russia, on Sept. 29.

Presidents Ilham Aliyev of Azerbaijan, Hassan Rouhani of Iran, Nursultan Nazarbayev of Kazakhstan, Vladimir Putin of Russia and Gurbanguly Berdimuhamedov of Turkmenistan participated in the talks in the city on the Volga River, not far from the Caspian Sea.

The leaders of the five Caspian states first met in a narrow format to discuss the most sensitive problems on the agenda: the legal status of the Caspian Sea and the military component of security there.

Then, the talks continued in an extended format, followed by a signing ceremony of joint documents and a statement. A joint political statement was made by the five presidents, which will become a cornerstone of a future convention on the legal status of the Caspian Sea.

The main theme of the summit of Caspian states was the future



In a symbolic gesture, the presidents of five Caspian littoral states, along with other officials, release sturgeon fingerlings into the Volga River in Astrakhan, Russia, on Sept. 29.

convention on the legal status and the delimitation of the Caspian Sea. The talks over the document have been ongoing for more than

15 years. Kazakhstan's position on the legal status of the Caspian Sea is to apply certain provisions of the UN Convention on the Law of the

Sea of 1982 relating to the width of the modes of different parts of the sea.

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## FM Idrissov's First Official Visit to Mexico Boosts Ties After 22-Year Hiatus

By Altair Nurbekov and Malika Orazgaliyeva

MEXICO CITY – Making up for a 22 year hiatus in diplomatic relations since their establishment in the early 1990s, Kazakh Minister of Foreign Affairs Erlan Idrissov paid his first official visit to Mexico Sept. 18-19 to strengthen political dialogue, continue friendly relations and promote economic exchanges and cooperation between the two countries.

The visit, done at the invitation of Mexico's Secretary of Foreign Relations José Antonio Meade Kuribreña, was full of both symbolism and substance.

During the trip, Idrissov met with Meade, participated in the Kazakh-Mexican business forum,

lectured at the Matías Romero Institute and held bilateral meetings with the Mexican Secretary of Economy Ildefonso Guajardo Villarreal and President of the Senate Miguel Barbosa Huerta. He also met with former President of Mexico Vicente Fox Quesada and mingled with representatives of various Mexican companies.

During their talks, Meade said that despite the geographic distance between Kazakhstan and Mexico, the nations have much in common. Both countries are leaders in their respective regions, have large territories and natural resources and hold similar general development priorities and positions on international issues.

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## President Addresses Pressing Issues During SCO Summit in Dushanbe

By Malika Orazgaliyeva

Kazakh President Nursultan Nazarbayev attended the Sept. 12 summit of the Shanghai Cooperation Organisation (SCO) in Dushanbe, Tajikistan.

The event was also attended by the heads of SCO member states, including Xi Jinping of China, Almazbek Atambayev of Kyrgyzstan, Vladimir Putin of Russia, Emonali Rahmon of Tajikistan and Islam Karimov of Uzbekistan.

During the meeting, the Kazakh President pointed out issues he felt should be a priority for the SCO given the world's current geopolitical and geo-economic realities.

One of the items he stressed is unresolved border issues between SCO member states. In this respect he drew attention to the importance of compliance with the basic documents of the SCO such as Shanghai and Moscow agreements providing confidence-build-

ing measures and the reduction of armed forces in border areas.

The President also noted that food security is an important area of economic cooperation for SCO member states. "According to the predictions of the experts, by 2050, the world population will reach 9 billion people. Whereas, food production in the world in the next 10 years will be reduced due to weather anomalies. Such a perspective favours the reopening of Kazakhstan's initiative to establish a mechanism to ensure food safety and approval of the relevant cooperation programmes," he said.

In addition, Nazarbayev stressed that the problem of water scarcity is a major factor affecting stability and security in the region. In this regard, he said that the proposal of Kazakhstan to create a water committee could become a practical mechanism in cooperation on this issue.

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## U.S. Energy Secretary Pays Tribute to Kazakhstan's Leadership in Nuclear Non-Proliferation

By Daniel Massow

WASHINGTON, D.C. – U.S. Secretary of Energy Dr. Ernest Moniz said Sept. 15 that the world will be a safer and more secure place if nuclear testing is relegated to the pages of history.

He was among several eminent speakers at a special event organised by the Kazakh Embassy in the U.S. and its American civil society partners to mark the annual United Nations Day Against Nuclear Testing and to discuss the importance of the Comprehensive Nuclear Test Ban Treaty (CTBT). The forum was called

"Nuclear Weapons Testing: History, Progress, Challenges" and was symbolically held at the U.S. Institute for Peace.

Addressing a full auditorium and viewers who watched the event via webcast, Moniz admitted that there was a time when an active and robust United States nuclear explosive testing programme was necessary, but that time is more than 20 years in the past. The United States, Moniz said, remains committed to the ratification and entry into force of CTBT, along with the monitoring and verification regime.

A multilateral treaty adopted by the UN General Assembly on September 10, 1996 to ban all nuclear explosions in all environments for military or civilian purposes, the CTBT has not entered into force due to the non-ratification of eight specific states, namely China, Egypt, India, Iran, Israel, North Korea, Pakistan and the United States. The United States has signed the CTBT, but not ratified it; there is ongoing debate whether to ratify the treaty.

Highlighting Kazakhstan's leadership in nuclear security, Moniz

said that "today's conference is just the latest example in a long line of important successes."

He reminded the audience that on Aug. 29, 1991, the Semipalatinsk nuclear test site in Kazakhstan was shut down by a unilateral presidential decree. "In the 20 years since President (Nursultan)Nazarbayev's dramatic decision, the United States and the Republic of Kazakhstan have worked together closely to achieve our shared nuclear security goals," said U.S. President Barack Obama's top energy official.

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## EBRD Predicts Central Asian Economic Growth, Negative Impacts from Ukraine-Related Sanctions

By Michelle Witte

ASTANA – The European Bank for Reconstruction and Development (EBRD) released its Regional Economic Prospects report on Sept. 18, showing relatively strong growth in Central Asia, improving growth in Central Europe and Turkey, but weakened growth prospects for all across the EBRD's transition region.

The weakened growth prospects are primarily the result of the conflict in Ukraine and sanctions enacted by both Western countries and Russia, according to the report. Russia's economy is predicted to stagnate this year and contract in 2015.

Forecasts vary significantly country by country, and Kazakhstan's expected growth for 2014 remains 5 percent (5.5 percent

was predicted in January 2014 and downgraded in May). Kazakhstan is not expected to be dramatically affected by the conflict unless sanctions toughen and begin to affect the country's oil trade with and through Russia. (The slowdown in growth is attributed to oil project delays as well reverberations from the conflict in Ukraine.)

Sanctions and counter-sanctions, drops in remittances and higher military spending across the region in the medium term are expected to strongly affect regional economic performance.

### Russian slowdown felt widely

Central Asia, the Caucasus and Eastern Europe are being affected to varying degrees by the Russian economic slowdown.

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## Kazakhstan Urges Peaceful Settlement to Ukraine Conflict, End to "Trade Wars"

By Altair Nurbekov

NEW YORK – Kazakhstan calls and works for the peaceful settlement of the Ukraine crisis and is strongly opposed to the unfolding "sanctions war" between the West and Russia over it, the country's foreign minister said in New York on Sept. 26.

Speaking at the event, "The Ukraine Crisis, the OSCE, and the Future of European Security", Minister of Foreign Affairs of Kazakhstan Erlan Idrissov said, "It is in our interest that Ukraine remains a sovereign, stable and independent state. Kazakhstan is deeply concerned about the confrontation, in which thousands of civilians have died. It has caused deep economic problems and a growing humanitarian crisis."

He said, "From the outset, we have done all we can to stabilise the situation. Kazakhstan is clear in its belief that any conflict should be resolved peacefully. Dialogue, constructive mediation and engagement are the only ways to resolve

disputes. Countries in the region and key allies have an important role to play in encouraging this approach. Kazakhstan is playing its part."

"For Kazakhstan, close relations with Ukraine have always been a priority. We are connected to Ukraine by a common history, close economic links and shared priorities. Indeed, the Ukrainian diaspora is one of the largest in Kazakhstan, with more than 330,000 people," Idrissov told assembled foreign ministers and other officials from 57 participating states of the Organisation for Security and Cooperation in Europe (OSCE), including Russia, Ukraine, countries of the European Union and the United States.

"The logic of trade wars and the exchange of sanctions will get us nowhere," the Kazakh foreign minister stressed echoing earlier comments by President Nursultan Nazarbayev. "It is us – Europe and Asia, the Eurasian continent – that suffer from sanctions. Therefore, we call on all to work together and find a solution based on economic pragmatism and mutual benefit."

"There is a need to lift sanctions. Kazakhstan is interested in strengthening mutually beneficial trade and economic cooperation, within the Customs Union, with Ukraine and with the European Union. We are ready to discuss ways of normalising multilateral trade links," the minister said.

Swiss Federal President and Councillor (Minister) for Foreign Affairs Didier Burkhalter personally chaired the event organised by the Swiss chairmanship in the OSCE on the margins of the UN General Assembly.

Kazakhstan calls on all parties involved to prevent the escalation of the conflict and the tightening of sanctions, Idrissov said in his statement as he strongly urged all parties to seek a peaceful and diplomatic resolution to their differences.

"If we are to achieve peace, it will be through compromise and concessions from all involved. The fate of many depends on constructive engagement between Ukraine, Russia and the European Union with the unbiased support of international community," he said.

"We sincerely hope the arrangements made in Minsk will be fully implemented. The ceasefire and the elaboration of a viable format of cooperation between Kiev, Donetsk and Luhansk will contribute to the stabilization of Ukraine and recovery of its economy," the minister said referring to the agreements first reached during the multilateral summit in Minsk on Aug. 26, where Kazakhstan participated, and then confirmed by an agreement signed by the group of negotiators there in early September.

According to Idrissov, "A definitive ceasefire will be essential if we are to protect the civilian population and find a way out of the crisis. ... We urge all parties to cease fire and stop all provocations, if only to prevent further suffering."

He also brought up the Astana summit in December 2010 and its decisions as reaffirming the fundamental commitments of all OSCE participating states to common principles of finding peaceful solutions to conflicts between them.

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See full coverage of Kazakhstan's participation at the UN General Assembly on Pages B4-B5.

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# NATION

WEDNESDAY, OCTOBER 1, 2014

## International Team Finishes First Phase of Snow Leopard Conservation Project

By Michelle Witte

ASTANA – An international team has just completed the first phase of fieldwork in a project to conduct a population survey of snow leopards in the Almaty State Nature Reserve in Almaty oblast, as well as to model the potential impact of climate change on the reserve and its snow leopard population.

The research is being supported by a \$50,000 grant awarded earlier this year by the Snow Leopard Network to the team of Dr. Ian Convery of the University of Cumbria in the U.K., Professor Owen Nevin of Central Queensland University in Australia and Professor Sabyr Nurtazin and Azim Baibagysov of the Kazakh National University in Almaty. Nevin and Convery have worked together for 10 years and began collaborating with Kazakh colleagues in 2012 on a brown bear research project, which showed the potential for further collaboration.

In early 2014, the team at the University of Cumbria was awarded a Snow Leopard Conservation Grant by the Snow Leopard Network for a collaborative project involving the Almaty State Nature Reserve, Kazakh National University and Central Queensland University, the researchers said in a joint response to questions from The Astana Times.

“We have just finished the first phase of fieldwork and have set up 40 ‘trailcams’ (camera traps) to carry out a population survey of snow leopard numbers in the nature reserve. The camera traps will also provide data on the

abundance and distribution of the snow leopard’s prey within the reserve. These data, along with satellite derived habitat maps, will be combined with expert knowledge from reserve staff in a fuzzy logic model, which will be used to examine potential impacts of climate change in the reserve,” they said.

The research will create a snow leopard population index using fuzzy model inputs. (Fuzzy logic and fuzzy modelling are methods that deal with degrees of truth, rather than binary true/false variables, and generate conclusions that are approximate rather than fixed.) The data will map the collected snow leopard population density and abundance estimates against weather and environmental conditions. Then, using “if-then” rules, the model will be used to predict snow leopard populations under different conditions.

“In this way, we can predict the population state if, for example, snow cover, temperature or other conditions are altered by climate change. The rules base can be created based on past data, observations and expert knowledge,” the researchers said.

The team calls their work an important first step in monitoring the population of Kazakhstan’s snow leopards and understanding how they are affected by changes in climate.

As a mountain species, the nomadic snow leopard is particularly affected by climate change, as small increases in temperature move the boundaries of their habitats upward, decreasing the area of habitat available and potentially



Snow leopards and other apex predators are extremely important in maintaining the balance of ecosystems.

cutting those smaller areas off from other similar habitats in other parts of the mountain range. “The reduction in both area and connectivity have substantial impacts on wide-ranging carnivores,” they said.

Snow leopards and other apex predators are extremely important in maintaining the balance of ecosystems. Top predators help control herbivore populations; without them, overgrazing by those animals can affect everything from nesting birds to erosion patterns, the researchers said.

The snow leopard population in the Almaty State Nature Reserve is one of only two stable populations in the country. Though snow leopards exist throughout the mountain ranges of much of Asia (including in Afghanistan, Bhutan, China, India, Kyrgyzstan, Kazakhstan, Nepal, Mongolia, Pakistan, Rus-

sia, Tajikistan, and Uzbekistan) and possibly even Myanmar, there may be only 5,000 individual cats in the world. (Most estimates rarely exceed 7,500.) Highly endangered, snow leopards remain the least studied of all large cats, the researchers say.

“What makes Kazakhstan’s snow leopards especially interesting ... is that they occur at the edge of the range in a drier, less productive landscape; this makes the populations especially vulnerable to climate change and ideal for the study of the impacts of this change,” the scholars said. The lessons they hope to learn here will be important for the overall understanding of the animals, particularly considering connectivity across their vast range, the researchers said.

Conservation work, including managing and monitoring popu-

lations, is long established in Kazakhstan, the researchers said, and moving ahead rapidly. In addition to their project and ongoing efforts in parks and reserves, a project is now underway through the Institute of Zoology in Almaty to conduct a national survey of snow leopard populations.

As Kazakhstan’s tourism industry develops, thoughtfully and sustainably managed ecotourism could be used to help the endangered cats. “Our work elsewhere, especially with brown bears, shows that ecotourism can play a significant role in wildlife conservation by generating substantial market values and revenue streams,” the researchers said. “Snow leopards are elusive and live at very low densities, which makes them much harder for tourists to reliably spot; however the landscapes in which they live are stunningly beautiful.” An experienced core of ecotourists who understand how rarely such animals are seen could underpin niche tourism around the creatures. “In many ways, for these people, the challenges add to the thrill of the experience and just being in the same landscape as these magnificent animals is an extremely rewarding experience.”

To support its snow leopard population, the researchers say Kazakhstan should maintain its network of protected areas (which they call well-managed) and its support for research and monitoring. They also urge Kazakhstan to take new conservation steps, including developing and enhancing trans-boundary conservation initiatives, as the animals frequently inhabit border regions.

### NATIONAL NEWS IN BRIEF

The election for the Senate of the Parliament of Kazakhstan is to take place on Oct. 1 across the country. Out of the 47 seats in the upper chamber of Kazakhstan’s bicameral parliament, 16 seats will be contested, one each in 14 regions and the cities of Astana and Almaty. A total of 166 foreign observers and 110 foreign journalists are accredited for the ballot.

Top representatives of their occupations will receive Yenbek Ardageri (Kazakh for “Veteran of Labour”) medals, which honour workers in different sectors of the economy and people of retirement age with more than 40 years in the labour force, at least 10 in one sector and top results, Deputy Minister of Healthcare and Social Development Dautel Argandykov said at a Sept. 25 Central Communications Service (CCS) media briefing. Argandykov noted that representatives of 14 regions and Almaty and Astana cities would take part in the events, as would leaders of the trade union movement, business community and international organisations. Argandykov also announced winners in the labour dynasty, veteran of labour, mentor, labour future and innovations and development in labour categories would be awarded during the celebration of Kazakh Labour Day marked on Sept. 28.

“Kazakhstan created a great heritage in the spiritual sphere in a short period of time. The Cultural Heritage Programme helped to achieve it,” member of the Mazhilis (lower chamber of Parliament) Kuanysh Sultanov said at a Sept. 25 Central Communications Service (CCS) briefing. “Sufficient funds allocated over the years of this programme had a positive impact on the restoration of the history and culture of the nation and helped create a greater heritage in the spiritual sphere of Kazakhstan,” he said. A programme to restore the national culture and culture of all the ethnic groups living in Kazakhstan is being implemented, he said. “All of the people living in our country have a positive attitude toward spiritual harmony, and we also need to build the national history. Over 20 theatres were built over the independence years and some of the old ones were reconstructed and repaired. In the 1990s, we were about to lose our connection to our culture; now we restore it,” Sultanov said.

Kazakhstan is among only a few countries where unique cardiac surgeries are performed, said representatives of Kazakhstan’s Ministry of Healthcare and Social Development at a Sept. 24 media briefing. According to the ministry representatives, highly qualified specialists have been trained in the country over recent years and doctors have been provided with necessary medical equipment. Kazakhstan has joined the top 22 countries performing high-tech, open-heart surgeries. The most unique are surgeries to implant ventricular assistance devices (VAD). A total of 124 patients have had VADs implanted since November 2011. Seven successful heart transplantations have been performed as well.

A presentation of projects implemented within an EXPO 2017 programme to develop eco-friendly energy sources in Kazakhstan for 2013-2017 was held at the LedSystemMedia company located in the Astana-New City special economic zone on Sept. 24. The programme is financed by the Ministry of Education and Science of Kazakhstan; the presentation highlighted promising scientific and technical projects developed by Kazakh scientists to be presented at EXPO 2017. Deputy Prime Minister of Kazakhstan Gulshara Abdykalikova, First Deputy Minister of Foreign Affairs and Commissioner of EXPO 2017 Rapol Zhoshybayev, Chairman of the Board of the Astana EXPO 2017 National Company Talgat Yermegiyayev, Chairman of the Board of Samruk-Green Energy Zomart Mominbayev, representatives of the akimat (city administration) of Astana and the Ministry of Education and Science and heads of national companies and leading energy companies attended the presentation. The presentation displayed functioning energy units and multimedia models of equipment for renewable and alternative energy sectors, energy supply, energy efficiency and holography.

## Kazakhstan 2050 Strategy Takes Spotlight at Astana Roundtable

By Zhanara Abdulova

ASTANA – A round-table discussion titled, “The Implementation of the Kazakhstan 2050 Strategy and the Role of Kazakhstan in the International Community,” was held on Sept. 15 in Astana.

The diplomatic corps, deputies of parliament and officials from the Kazakh Ministry of Foreign Affairs discussed progress on key goals set out in the strategy. Senate Speaker Kassym-Jomart Tokayev presided over the event organised by the Committee for International Affairs, Defense and Security of the Senate of Parliament.

In his opening remarks, Tokayev stressed that Kazakhstan, led by President Nursultan Nazarbayev, managed to achieve in years what has taken many countries centuries in rising from the nihilism of the post-perestroika period to prominence in the world political arena.

“Kazakhstan has now entered a qualitatively new stage of its development, a stage of large-scale modernisation. Over the last 13 years, Kazakhstan has seen some of the highest economic growth rates anywhere in the world and has rapidly risen up in global rankings,” he continued.

Tokayev drew the attention of the audience to the fact that an important aspect of socio-economic and spiritual transformation originates in the country’s Mangilik El (Eternal Nation) idea, which was developed by President Nursultan Nazarbayev. “This concept includes a vision of our core values, the unity of the people, social stability, interethnic harmony and the sustainable development of our country,” he said.

“Implementing these bold plans will require an overhaul of our economy, shifting it to a model based on innovation and technology. The concept sets a strategic mission to diversify the economy. We must also ensure the sustainability of economic growth and business activity,” Tokayev said.

He also elaborated upon major steps being taken by the government and parliament to implement

the long-term strategy. “The government has initiated a number of programmes, including the second five-year plan of State Programme of Accelerated Industrial and Innovative Development for 2015-2019, infrastructure and agro industry enhancements for 2020, Business Road Map 2020 and Productivity 2020,” he said.

In speaking about the situation in Ukraine, Tokayev underscored that Kazakhstan expresses serious concern over developments in that country.

“Events in Ukraine are of great concern to us and have extensive implications for the entire international community. We sincerely hope that dialogue between the different parties initiated in Minsk by the presidents of Kazakhstan and Belarus, as well as the meeting of the contact group under the auspices of the OSCE (Organisation for Security and Cooperation in Europe), will be successful and will eventually bring lasting peace to Ukraine,” he said. A memorandum was signed by the contact group in Minsk on Sept. 19 further outlining the steps towards ending the bloodshed and easing the conflict in eastern Ukraine.

In finishing his speech, the chairman of the Senate expressed his confidence that the Kazakhstan 2050 Strategy will help guide the country through the choppy waters ahead. “The President, government and our parliament are all working to turn our vision into a reality. Our people are united in their aspiration to turn their homeland into a more successful nation,” he concluded.

During the discussions, round table participants stressed that extensive work has been done since the launch of the strategy, including the adoption of relevant legislation and the approval of sectoral programmes in various areas. According to foreign ambassadors, against the backdrop of the ongoing economic crisis and political instability around the world, the new strategy is particularly valuable for determining the future course of the development of the state.

Addressing the attendees, Russian Ambassador to Kazakhstan Mikhail

Bocharnikov stressed that his country supports the course of development laid out in the strategy. “We wish Kazakhstan, our close partner and ally, every success in achieving these goals,” he said.

During the discussion, Foreign Minister Erlan Idrissov made a report, telling the gathering about the progress made in foreign policy initiatives in line with the strategy.

In her speech, head of the EU delegation to Kazakhstan Ambassador Aurelia Bouchez highlighted the three key merits of the strategy. “First, it is comprehensive, yet structured around clear priorities, which take into account the necessary synergy between economic, institutional and political reforms. Just one example on this: you cannot improve FDI attractiveness without judicial reform. Both items are in the strategy.”

According to Bouchez, “a comprehensive approach to economic modernisation is therefore required, as set out in Strategy 2050 – and as developed in the new Enhanced Partnership and Cooperation Agreement. The EPCA negotiations were concluded last week. It is a cooperation agreement, not a political association nor economic integration agreement. ... It paves the way for a very active cooperation with a broad scope, since it covers 29 areas of cooperation between the European Union and Kazakhstan, namely economic and sustainable development, trade and investment, justice and legal cooperation, people-to-people relations, civil society cooperation, cooperation in education, culture, research and innovation.”

In Bouchez’s words, another of the many merits of the strategy is the quest for qualitative development. Kazakhstan has already achieved impressive quantity results, she said. “It is a young but mature state. There is much more work needed to be done for it to become one of the 30 most developed countries worldwide – which is Kazakhstan’s goal – as well as being able to meet citizens’ higher expectations,” she said. “It is the third key feature of the 2050 strategy, a major one indeed, is

that it is laying the foundation for stability. I was impressed by the 10 challenges list at the start of the strategy. And the situation in the region is even tenser now than it was two years ago,” Bouchez noted.

“This makes Kazakhstan’s role as a stability producer and exporter even more crucial. Kazakhstan’s prosperity, inter-ethnic tolerance, and friendly, peace-seeking foreign policy is a key asset for the region and beyond,” she continued.

“We view with great interest Kazakhstan’s active role in the revival of Silk Road concepts such as the Western Europe-Western China transport corridor. We appreciate Kazakhstan’s active support for the EU Central Asia Strategy. We appreciate the efforts of Kazakhstan to call the parties engaged in Ukraine crisis for a peaceful resolution and stop the bloodshed. Let me underline that the EU highly values Kazakhstan’s multivectoral policy and economic pragmatism,” Bouchez noted.

“In our view, the ongoing security challenges in the world demand preventive soft power policies. Sustainable state institutions, based on inclusive consensus and economic performance, attachment to and respect for international law, support to global policies – all are key requirements – and they are part of Kazakhstan Strategy 2050. Stability starts inside, and the country’s prosperity and unity thanks to the interethnic concord and culture of tolerance around Kazakhstan’s Eternal Nation, are key assets in this regard,” she concluded.

Chargé d’Affaires of the United States to Kazakhstan John Ordway said the strategy stipulates the critical importance of reducing the state’s role in the economy. “This is especially important for capital market formation, which is suffering because of a striking absence of tradable securities. It is also important to create opportunities for small and medium businesses. Spinning of service, support, and other non-core functions of Samruk Kazyna launching other IPOs will be key,” he said.

“The strategy also emphasises the

importance of the gradual development of democratic institutions. As I have heard from President Nazarbayev, free markets cannot develop unless there is a free society. This is a prerequisite for stable, predictable, long-term development and prosperity,” Ordway noted.

“Decentralising state institutions, reducing bureaucratic procedures and reducing room for corruption are also exceptionally important. We very much hope that the very impressive gains in professionalising the civil service continue,” he said. “WTO accession is moving ahead and we are optimistic that it could be concluded by the end of the year.”

Ordway stressed that Kazakhstan is an important strategic partner of the United States. “U.S. companies are among Kazakhstan’s first and biggest investors. The long-term prosperity, stability and freedom of Kazakhstan are our shared interests too,” he concluded.

Acting UN Resident Coordinator in Kazakhstan, UNFPA Sub-regional Office Director Nikolai Botev called the 2050 strategy proof of the state’s commitment to a forward-looking approach and ability to plan ahead. “Such a strategy is of particular importance as we are engaged in planning for the next five-year programming cycle and we see this as an opportunity to make a strategic contribution to Kazakhstan’s development by drawing on the collective strengths of all 21 UN agencies working in Kazakhstan,” he noted.

Botev highlighted the parallels between the 2050 strategy and the United Nations post-2015 Millennium Development Goals (MDGs) that seek to promote human rights, equality and sustainability. He pointed out that throughout its membership in the United Nations, Kazakhstan has made sound, strategic choices in choosing the causes it supports and has often linked them to forward-looking, multilateral initiatives.

“Perhaps the most outstanding example of this has been in nuclear disarmament, nonproliferation and nuclear safety. An example in the sphere of culture is the proclamation of the international decade for the rapprochement of cultures, which was an initiative of Kazakhstan,” he stressed.

The ambassadors of Belarus, France, Pakistan, the Netherlands and the United Kingdom also took part in the discussion.

# EURASIA&WORLD

WEDNESDAY, OCTOBER 1, 2014

## EXTERNAL NEWS IN BRIEF

From Sept. 24-26, on the eve of World Tourism Day, the Astana Leisure 2014 tourism exhibition was held in Astana's Korme Exhibition Centre. More than 90 companies from 19 countries, including tour operators, travel agencies, health resorts and hotels and guest houses, providing tourism products from ecological to adventure tourism, participated in the event. Hotel networks and air carriers were also represented, and Hungary, Vietnam, the Dominican Republic, Kazakhstan, Latvia, Malaysia, the Maldives, Russia, Thailand, Turkey, Switzerland and South Korea set up national stands. A medical tourism section presented information about medical treatment abroad, from advice on choosing a clinic to obtaining a visa and organising the journey. The organisers of Astana Leisure 2014 are Kazakhstan's Itca Exhibition Company and the U.K.'s ITE Group Plc., with official support provided by Kazakhstan's Ministry of Investment and Development, the World Tourism Organisation (UNWTO) and the city administration (akimat) of Astana.

The 58th session of the International Atomic Energy Agency (IAEA) General Conference took place from Sept. 22-26 in Vienna. The annual meeting of delegations from 162 member states considers the IAEA Annual Report, which covers the agency's activities in various fields of peaceful nuclear energy use, ensuring nuclear safety, nuclear safeguards and the nuclear non-proliferation regime. Delegates this year discussed the IAEA's programme and budget and the staffing of the secretariat. Kazakhstan's delegation was headed by Minister of Energy Vladimir Shkolnik and included senior officials from the Ministry of Foreign Affairs, the Kazatomprom nuclear energy company, the National Nuclear Centre of Kazakhstan and other entities. Kazakhstan's statement reflected on the country's achievements in nuclear disarmament and non-proliferation, effective cooperation between Kazakhstan and the IAEA in the field of peaceful nuclear energy use, nuclear medicine and the rehabilitation of contaminated lands, among other issues, and announced the country's intention to construct its first nuclear power plant. Attention was drawn to The ATOM Project and other initiatives of President of Kazakhstan Nursultan Nazarbayev in nuclear non-proliferation.

The International Oncology Symposium held in Astana from Sept. 24-26 brought together representatives of cancer centres from Europe, the Commonwealth of Independent States (CIS) and the U.S., as well as representatives of the Ministry of Healthcare of Kazakhstan, research associations and leading medical universities of Kazakhstan. Deputy Prime Minister Gulshara Abdykalikova, President of Nazarbayev University Shigeo Katsu and representatives of the Ministry of Healthcare and Social Development of Kazakhstan delivered welcome addresses to event participants. The symposium was organised within the Nazarbayev University and University of Pittsburgh School of Medicine Partnership, which is working to develop a cancer treatment programme and hospital in Kazakhstan by the end of 2016. Participants discussed modern cancer treatment and diagnostic methods.

A Day of Kazakhstan's Germany was held in Hamburg, Germany, on Sept. 22. The event, organised by the Embassy of Kazakhstan in Germany, the Honorary Consulate of Kazakhstan in Hamburg and the Association for Economic Cooperation with the Countries of Eastern Europe, was titled "Opportunities and prospects of Kazakh-German cooperation in the field of transport and logistics" and was attended by more than 150 representatives of German official, economic, business and expert circles. Ambassador Bolat Nussupov emphasised that Kazakhstan's strategic location held great potential for transport and transit between East and West and North and South in his remarks at the event. A panel discussion with the participation of the leadership of German transport and logistics companies, including Deutsche Bahn, Hafen-Entwicklungsgesellschaft Rostock, Brockmüller Spedition and Kühne + Nagel, was also held.

## Spanish Ambassador Sees Ties Growing, Says Madrid Supports Astana's UN Security Council Candidacy

By Yelden Sarybay

The Astana Times recently sat down with Spanish Ambassador to Kazakhstan Manuel Larrotcha Parada who discussed a wide range of issues concerning the relationship between the two countries.

**You've been in Kazakhstan for a couple of years now. Could you tell us your impressions?**

Well, my impression is very positive. I have to admit that when I was proposed by my foreign minister to come to Kazakhstan and become the ambassador of Spain, I had some hesitation. I was not familiar with the country. I was lucky because I am a very good friend of the previous Spanish ambassador here and he had occasionally told me about his experiences in the country. He had been extremely happy here in Kazakhstan. After two years here in Kazakhstan, I can say without any sort of doubt that Kazakhstan is a much better country when you work here than when you are abroad. Out of ignorance, many people in Western Europe, when you say, "I am in Kazakhstan," they say, "Oh, it must be very difficult." Well, what do you mean difficult? It is far, but the same can be said about Spain. If you ask a Kazakh citizen about Spain they will say, "It is very far." Everything in life is relative, but Kazakhstan is a country where life is comfortable and people are pleasant in general.

And there is one thing that is a very strong point in favour of Kazakhstan that very few people talk about and it is safety. Safety to the point that no matter whether you are a man or a woman, you can walk on the streets any time of the day and can be sure that nobody will disturb you. It is a healthy exercise of personal freedom.

**Obviously, you travel to other regions as well. How would you assess the development of the rural areas?**

Well, development in Kazakhstan is now confronting the difficulties that any new nation has. I mean, Kazakhstan became independent and the country inherited a worn out



Manuel Larrotcha Parada

infrastructure from Soviet times. But obviously, when you have a country of such dimensions and you have to modernise and update all that infrastructure, the process will take time. I don't know how many millions of kilometres of roads, but I think the government has put in place good programmes that little by little, year after year renovate roads, highways, railways. But those things don't happen overnight. If Kazakhstan were like Slovenia or like Malta or like Cyprus, it would be easy. But when you have millions of kilometres of roads and railway, the process will take not only money, a lot of money, but also a lot of time.

**What kind of sectors in the economy can Spain and Kazakhstan cooperate on?**

In my view, with a lot of common sense, the government has been studying high-speed trains. Spain now has the largest high-speed network in Europe. I can proudly say that our trains are better than the French, better than the German, but it is an extremely expensive proposition. That is something that the Kazakh government has understood and they said, "We know that we can have a high-speed train between Almaty and Astana but that would be a money losing machine." Simply because there is not enough population. Instead, using Talgo's technology, Kazakhstan Temir Zholy is operating high-speed trains that can run on older rails.

The success of Talgo is bringing new companies from Spain to settle here in Kazakhstan as suppliers of Tulpar-Talgo. This will create jobs for Kazakh people, they will bring technology and suppliers for Tulpar-Talgo. That is a good example of what we can do together.

We can also work together in the agriculture sector. Water is a precious commodity in Spain, but we have developed very efficient techniques for irrigation. We do not throw water onto the fields; we have underground pipes that drop water every 10-15 seconds, enough to grow tomatoes, cucumbers and fruits for all of Europe.

The same can be said in terms of tourism. The World Tourism Organisation, which is an agency of the United Nations, is headquartered in Madrid. I always say that Kazakhstan has oil, Spain has no petroleum, but we have our own oil. The main industry in Spain is tourism. We have 47 million inhabitants and this year we will receive 63 million tourists. Tourism is good from an economic point of view, obviously, as it creates a lot of jobs.

**What do you think about Kazakhstan's candidacy for a UN Security Council seat?**

We are supporting it. We have already committed our support. We said it very early when the candidacy was made public. The UN Security Council is supposed to be a body where some political, cultural and regional equilibrium is present. How is it that a country from Central Asia has never been in the UN Security Council? I mean, you have an excellent record of contributing to world security, you got rid of those nuclear weapons, you are campaigning with us for the abolition of the death penalty, you have all the credentials to be in the UN Security Council. So from the very outset we have committed to Kazakhstan, our vote will be for Kazakhstan.

I think the bid has a lot of chances to win. You have an excellent diplomatic service that will be able to present your case to the international community. You have also excellent relations with the five permanent

members, which is very important. When you look around, if there is a country leader in Central Asia, it's Kazakhstan. By definition, whether you like it or not, as I say, you are doomed, like the United States, to be the leaders in this region. It is not your choice, by definition you will have to bear the responsibility of leading the region. And you are assuming the responsibility very seriously. That's why the candidature to the UN Security Council, in my view, should be a done deal.

**What cultural programmes is the embassy engaged in?**

The problem here in the embassy, for cultural activities, is that we have a little budget. So you have to be witty. So what we are doing is building up partnerships with our own companies here and they are responding enthusiastically. We have managed to make our companies understand that every single euro they invest in cultural activities in Kazakhstan is an investment for the future of the company.

Now we have an interesting event in Karaganda. In 1949-1954, we had 180 people who were prisoners in a labour camp, 14 people died, the rest were repatriated to Spain in 1954. The 14 people who died, we want to honour their memory. So we are building a monument in Karaganda. It is being built thanks to the generosity of Spanish companies who operate in the Karaganda region.

With our own budget we will bring Yerzhan Kulibayev, the violin player. I think Mr. Kulibayev will make it to the very top. He's not 30 yet, and he's already played everywhere, and we are very proud that he has made his musical career in Madrid. His musical education is still taking place in Madrid. We'll be bringing him to the Astana Opera on Oct. 13. We will pay for his travel expenses and hotel and honorarium as a professional, but the Kazakh side will be providing the venue, which is the best.

**How do you see the future of the bilateral ties generally?**

We have not touched on institu-

tional relations. We have been talking about commerce, culture, but from the institutional point of view there is something very interesting. It is the good relations that exist between the two countries. Not only governments but also at the institutional level. Everybody knows that the former king of Spain and President Nazarbayev have a personal friendship, which dates back many years. When they get together it is not the President of Kazakhstan and the king of Spain, it is Juan-Carlos and Nursultan having a cup of coffee and telling each other their concerns, their successes, their happiness, their issues, so true friends talking to each other. So when you have such strong foundations, building up institutional relationships is very easy. We feel at the institutional level we are very well received, our proposals are always welcome. But this is a two-way street. My government feels well treated and whenever there is an opportunity to help Kazakhstan, my own government tries to respond in kind. As long as we are so well treated, we feel we are obliged to reciprocate.

I am quite enthusiastic that economic changes are going very well. From one year 2012 to 2013 they have more than doubled. We are talking about 1.2 billion euro in trade turnover. That shows that there are a great number of companies that are doing business or trading with Kazakhstan but also coming here and investing, taking root, and settling here.

Everything is part of the same, it is a parcel. It is difficult to see the economic activity growing if you do not feed the economic machinery with good cultural feelings and institutional relations. But I think we are on a good track. Goodwill is prevailing both in Madrid and Astana. We are betting on Astana for sure. Beyond the UN Security Council, we are betting on Kazakhstan as, perhaps, the only country in the region that will be able to provide stability and show leadership. All in all, I think that relations are in pretty good shape, but there is a lot of room for improvement and we have to remain ambitious.

## FM Idrissov's First Official Visit to Mexico Boosts Ties After 22-Year Hiatus

Continued from Page A1

In turn, Idrissov noted, "My visit is the first ever high-level official visit from Kazakhstan to Mexico. Today I opened the Kazakh embassy in Mexico, which reaffirms our commitment to enhancing our partnership. We also welcome the decision of the Mexican government to establish its embassy in Astana next year."

During the meeting, the two ministers agreed to continue political dialogue, explore increasing trade and investment and promote cooperation between the diplomatic academies of both countries. They also discussed multilateral, regional and global issues.

The ministers also signed a memorandum of understanding between their ministries of foreign affairs for a mechanism of consultations on areas of common interest. Another document signed by Idrissov and Meade was a memorandum establishing ties between the Academy of Public Administration of Kazakhstan and the Matías Romero Institute to create opportunities for mutual training of diplomats and other professionals.

The ministers expressed their satisfaction with the growing partnership between Kazakhstan and Mexico within international organisations. In this regard, Idrissov thanked Meade for supporting Kazakhstan's candidacy for a non-permanent seat on the UN Security Council for 2017-2018.

One particular subject for discussion was the two countries' efforts to promote global nuclear disarmament and nonproliferation. While Mexico led the way in establishing a nuclear-weapons-free zone in Latin America under the Treaty of Tlatelolco, Kazakhstan and four

other states in Central Asia have established a nuclear weapons free zone in their region (CANFWZ). In this regard, Idrissov expressed interest in establishing a dialogue between CANFWZ, established in 2009 under the Treaty of Semipalatinsk, and the Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (OPANAL) to explore possible cooperation between the two nuclear weapons free zones.

"We recognise Kazakhstan as a key player in Central Asia and beyond," Meade told the media during the press briefing the two ministers held after their meeting. He stressed that the two presidents, Enrique Peña Nieto and Nursultan Nazarbayev, twice met last year at the Boao Economic Forum and on the margins of the G20 summit in St. Petersburg, giving a major boost to bilateral ties. "We welcome a new chapter in our relations," Meade said.

Speaking of the cooperation in nuclear disarmament, Meade mentioned Mexico's active stance and leadership in this area including through organising the signing of the Treaty of Tlatelolco and hosting the second International Conference on Humanitarian Consequences of Nuclear Weapons earlier this year. He went on to praise Kazakhstan's contribution to global nuclear disarmament, mentioning both the renunciation of the world's fourth largest nuclear arsenal following the break-up of the Soviet Union and the leadership on creating a nuclear weapons free zone.

Asked how the two countries can cooperate in this area, Meade said: "We can certainly cooperate and we can preach with our examples."

Answering the same question, Idrissov said, "Kazakhstan has a

dream of building a nuclear weapons free world through, among other things, a convention banning nuclear weapons. ... Kazakhstan has put forward an initiative to adopt a Universal Declaration of a Nuclear Weapons Free World at the United Nations and will continue to work with our partners including Mexico towards that goal. ... Disarmament and nonproliferation remain a permanent priority for both our countries and we will continue to work together."

Separately, Secretary of Economy Guajardo hosted the Kazakhstan-Mexican business forum during Idrissov's visit. The forum was organised by KaznexInvest and ProMexico and attended by representatives of the business communities from both nations.

At the forum, Idrissov provided a brief overview of economic and trade developments in Kazakhstan. He said the country is interested in building partnerships with Mexico in oil and gas, petrochemicals, engineering, mining, metallurgy, chemicals, textiles and food processing, as well as the production of construction materials.

Idrissov also highlighted Kazakhstan's multi-vector foreign, economic and trade policy, which is aimed at improving the nation's business and investment climate while building a stable and attractive environment around the country.

"After Brazil, Mexico is the second largest trading partner with Kazakhstan in Latin America. Trade turnover between Kazakhstan and Mexico increased by 22 percent in 2013 and reached almost \$122 million. There is no doubt that there is room for improvement and that's why we are here today," said Idrissov. The major exported goods from

Mexico to Kazakhstan in 2013 were metal pipes, electric motors and generators, medical equipment, air and vacuum pumps, tractors, cars and other motor vehicles, molybdenum ore, alcoholic beverages, food products and chemical products.

He also invited representatives of Mexico's energy sector to participate in the international specialised exhibition EXPO 2017, which will be held in Astana and focus on future energy.

Idrissov also spoke on Kazakhstan's market economy, political system and investment initiatives during a lecture at the institute, the Mexican diplomatic academy.

In a bilateral meeting with Guajardo, the ministers noted the significance of then the first ever business forum and expressed confidence that it will help establish direct contacts between the Kazakh and Mexican business communities. In this context, Idrissov proposed organising a return visit of the Mexican business delegation to Kazakhstan in the near future.

Guajardo expressed interest regarding cooperation with Kazakh businesses in the sphere of agriculture and food production.

The two also reportedly discussed cooperation in the framework of multilateral institutions, in particular, cooperation between Kazakhstan and the Organisation of American States and the Pacific Alliance, as well as an informal association MIKTA (Mexico, Indonesia, South Korea, Turkey and Australia), countries with rapidly-developing economies.

In Mexico City, Idrissov also met with former President of Mexico Vicente Fox, who serves as an informal adviser to the current president. They discussed topical international issues and prospects of

trade and economic cooperation between the two countries, including in the field of agriculture. Fox commended the dynamic development of Kazakhstan and the expansion of its presence on the international level, and expressed a desire to promote economic ties.

Idrissov then met with the Chairman of the Mexican Senate Miguel Barbosa Huerta and members of the Senate Committee on International Relations.

"Today is a special day for our countries, because we are announcing concrete steps to strengthen our cooperation, nearly a quarter of a century after the establishment of diplomatic relations between our countries. Welcome to Mexico, your sister nation," Barbosa said in his welcoming remarks at a very elaborately staged meeting.

In turn, Chair of the Committee on International Relations Gabriela Cuevas Barron warmly welcomed the Kazakh delegation and pointed out the immense potential for cooperation, a point strongly supported by other senators who spoke at the event.

"There is an expression in Mexico, mi casa es su casa (my house is your house), and we want you to feel at home here. We are interested in the broadest cooperation in such areas as education, humanitarian sphere, management of migration and so on," Cuevas told Idrissov.

During the meeting, the sides agreed to develop inter-parliamentary cooperation. The Kazakh foreign minister proposed creating a Kazakhstan-Mexico friendship group in the parliaments of the two countries.

Idrissov also said he sees huge potential in the Community of Latin American and Caribbean States (CELAC) and informed that presently, Kazakhstan is studying possible ways of cooperation between Kazakhstan and CELAC.

"Today, Mexico opened its eyes and realised the true potential of our close cooperation," Cuevas told Idrissov, looking him in the eyes.

# ECONOMY

WEDNESDAY, OCTOBER 1, 2014

## EBRD Predicts Central Asian Economic Growth, Negative Impacts from Ukraine-Related Sanctions

Continued from Page A1

Western sanctions against Russia, particularly sanctions announced in September targeting its oil sector, as well as Russia's counter-sanctions, have caused the EBRD to downgrade its economic forecast for the country for 2015 from slight growth to a contraction of 2 percent. Growth for 2014 stays forecast for 0 percent overall, with the slightly better than predicted growth in the earlier part of the year expected to be negated by the effects of new sanctions on the country's economy.

In the first half of the year, capital outflows from Russia were about \$75 billion. Confidence in business is suffering and access to international capital markets and financing has been significantly reduced in the first quarter, year on year. At a press conference on Sept. 17, EBRD Chief Economist Erik Berglof said that the reduced access to capital is increasing the role of the state in the economy, adding that "the state is not very effective in providing finance to SMEs [small- and medium-sized enterprises] and private sector financing in general has been suffering."

Trade and finance is being directed east, but this, he says, is likely also part of a larger trend.

### Growth in Central Asia remains strong

Growth has remained strong in Central Asia, relative to other regions addressed in the report, buoyed by large extractive projects. Overall growth in Central Asia dropped half a percent from the first quarter of 2013 to the first quarter of 2014 (from 7.4 percent to 6.9 per-

cent), mainly, the report said, due to Russia's economic performance.

The reduction in remittances from Russia in Kyrgyzstan and Tajikistan, where they are 29 and 49 percent of gross domestic product, respectively, is expected to have negative consequences. (These consequences are not expected to be felt in Kazakhstan, which has few economic ties with the countries, Agris Preimanis, EBRD Lead Regional Economist, told The Astana Times.)

This is the first time remittances have fallen since 2009, and remittances to Uzbekistan and Moldova have fallen the most. The impact has been slightly offset by the dollar's stronger purchasing power in countries that have seen their currencies weaken.

### Kazakhstan's performance and predictions

Kazakhstan's GDP in 2013 was \$220.3 billion. Its economy is expected to grow by 5 percent this year, down from 6 percent growth in 2013. Industrial production has remained almost equal in the first half of the year, year on year, dropping by .01 percent in 2014 (it rose by 2.3 percent in 2013). Relatively low exposure to Russia in the form of remittances, as well as the possibility of increasing food and agricultural exports to Russia to make up for embargoed products, may offset the economic impact of sanctions.

"The direct impact of the current Western sanctions against Russian oil on Kazakhstan's oil sector and broader economy are likely to be minimal. However, any future hardening of the Western sanctions

on the Russian oil sector – to the extent that Kazakhstan's oil trade with or through Russia would be affected – could have a negative impact on Kazakhstan, recognising that a significant part of Kazakhstan's oil is exported through Russian pipeline or port infrastructure," Preimanis said.

Yet again, nonperforming loans were called out as a hindrance for growth in Kazakhstan, where the EBRD says the nonperforming ratio is between 30-50 percent. Tajikistan, Cyprus and Ukraine, where the ratio is 20 percent and may rise significantly, were also cautioned about their nonperforming loans.

### Weakening rouble, Western perceptions, Russian counter-sanctions Kazakhstan's main threats

"The slowdown in Russia and weakening of the rouble, as well as shifts in the perception of the former CIS [Commonwealth of Independent States] region (mainly related to but not limited to Russia) by Western investors, are the most important economic factors affecting Kazakhstan in terms of the fallout of the Russia/Ukraine crisis," Preimanis said.

Some impact from the plummeting growth of Ukraine will be felt, he noted – about 2.5 percent of Kazakhstan's exports go to Ukraine – and from slowdowns in other CIS trading partners, but he does not expect a pronounced effect from this on Kazakhstan's economic performance.

But if Russia continues to struggle, the rouble may falter. "Further

rouble depreciation is one of the biggest economic risks for Kazakhstan stemming from the Russia/Ukraine crisis," Preimanis said. The rouble has weakened in recent months, but the current exchange rate of 38 roubles to the dollar does not put pressure on the tenge, he said, and the tenge has additional headroom left. "In the current market and economic circumstances in Kazakhstan, the tenge can accommodate a further drop in the rouble of at least 10 percent before rouble depreciation starts translating into material downward pressure on the tenge exchange rate," he said.

Russian counter-sanctions are also a worry, he said. "Russian counter-sanctions in food products can be expected to, on balance, have an overwhelmingly negative overall impact on Kazakhstan through potential food price inflation and domestic supply risks, even if these sanctions might spur growth in food exports from Kazakhstan." Current counter-sanctions might redirect Kazakhstan's and other country's food products toward Russia, which could reduce the supply of food products coming to Kazakhstan, create food price inflation and increase the demand for Kazakhstan-produced food products, he said. The counter-sanctions might also affect the transit of food products from the EU to Kazakhstan through Russia.

### Growth in defence spending may have long-term implications

At a press conference on Sept. 17, EBRD Chief Economist Erik Berglof noted a shift in attitudes

in the transition region and in Europe more broadly toward defence spending, which will have long-term implications, he said. "[C]entral and eastern Europe has benefited from low [defence] expenditure as a percentage of GDP and it has been decreasing over time. Now, as you have seen, there have been clear statements from several central European countries that they will increase defence spending. NATO has encouraged members to reach the 2 percent level. Poland has said they will do so by next year. Ukraine will announce that it will double its defence spending over the period until 2020. There is clearly a diminishing fiscal space due to this and, of course, this peace dividend has been very important for the fiscal consolidation we have seen in our countries."

### Most significant risks

"The single most important source of risk remains the further escalation of the crisis in Ukraine/Russia with a direct negative impact on the two countries and significant spill-over effects for the region as a whole, as discussed in the May 2014 issue of Regional Economic Prospects," the report reads. "Such a scenario would have far-reaching implications for investor confidence in the region, trade, flows of remittances from Russia to lower-income countries in EEC and Central Asia, and possibly energy and food security in the region," the report reads.

An additional risk is an oil price shock from further escalation of the security crisis in Iraq, the EBRD said.

### ECONOMY NEWS IN BRIEF

Prime Minister of Kazakhstan Karim Massimov met with Deputy Chairman of the Standing Committee of the Chinese National People's Congress Zhang Baowen on Sept. 22 and discussed expanding and strengthening bilateral economic and trade cooperation, focusing on Kazakh-Chinese cooperation in the oil and gas industry, agriculture, energy and the transit and logistics sector. Massimov stressed the importance of boosting bilateral relations, noting their high level. "Relations between the two countries are at a high level and confirmation is the regular meetings of the heads of our states," he said. Massimov also expressed interest in expanding investment cooperation with China. Zhang also noted the importance of strengthening bilateral ties and cooperation across the board. Following the meeting, both sides expressed the need to further deepen economic and trade cooperation to increase bilateral trade.

On Sept. 25, First Deputy Prime Minister Bakhytzhan Sagintayev met with head of the EU representative office in Kazakhstan Aurelia Bouchez and representatives of the diplomatic missions of 19 EU countries and presented the main provisions of the formation and functioning of the Eurasian Economic Union (EEU). The parties also exchanged views on the development of the EEU, including the establishment of the EEU Court, the formation of common markets, the ratification of the EEU Agreement, the possible joining of Armenia and Kyrgyzstan, as well as potential cooperation between the EEU and the European Union. Following the meeting, the sides noted that Kazakhstan and the EU are strategic partners and expressed readiness to expand cooperation.

"For eight months of the current year, the turnover of the East Kazakhstan region with the countries of the Customs Union (CU) amounted to \$900 million," Berdybek Saparbayev, Akim (Governor) of the East Kazakhstan region, said at a Sept. 26 media briefing. "Last year's trade with the CU countries reached \$1 billion; over the eight months [of 2014] it is \$900 million. This union gives us the opportunity to increase the volume of trade. Most important is the decline in imports, increase in exports; that is, the trade balance has to be at its net balance," he said. According to him, over the first eight months of this year, the total turnover was 333 billion tenge (\$1.83 billion). "We hope that by the end of the year, this figure will be higher," he stressed. The consumer price index in the East Kazakhstan region after eight months was 105.4 percent.

At a Sept. 23 meeting of the government, measures proposed by the Ministry of National Economy to optimise and improve the effectiveness of agricultural subsidies were considered. "Today the measures for improvement, which are grouped into three blocks, were proposed. The first are measures of a systemic nature to optimise and improve the effectiveness of subsidies in agriculture, with the transition to subsidising the issue of the final agricultural product, which is the main innovation," said Marat Kussainov, first vice minister of the Ministry of National Economy. According to him, the current measures are focused on the following areas: reviewing subsidy mechanisms in the seed industry, revising mechanisms for subsidising irrigation water, stimulating the growth of production and exports of livestock and access to investment subsidies. "Measures of institutional improvement are aimed at ensuring transparency and simplifying administrative procedures for the issuance of subsidies. It is a big and important issue now: improvement of the methodology and effectiveness of the use of subsidies," he stressed. He also noted that the existing system of subsidies needs to be reviewed. "The proposed measures will ensure the promotion of growth and product quality – this is the main task of improvement. They will promote cooperation, improve performance and build an effective structure of subsidies, which in the future should comply with the principles and criteria of the World Trade Organisation [WTO]," he explained.

## EBRD Arranges \$200 Million for Eco-Friendly Technology



### European Bank

### for Reconstruction and Development

By Michelle Witte

ASTANA – The European Bank for Reconstruction and Development (EBRD) has arranged a financing package of \$200 for private oil company KOM Munai to finance new environmentally technologies and improvements to the efficiency of its oilfield operations in Kazakhstan.

### The EBRD has invested close to \$6.5 billion into Kazakhstan's economy, with more than half of its investment in the private sector.

KOM Munai, a subsidiary of OMV Petrom SA, Romania's largest oil and gas company and a former investee of the EBRD, operates in Kazakhstan's Mangistau region. It is embarking on a three-year programme to incorporate state-of-the-art water management and drilling technology, which is expected to save water and cut drilling time. The company is also looking into

replacing its gas-to-power turbines. The EBRD will finance half the project cost, syndicating the other half to commercial banks.

EBRD Director for Energy and Natural Resources in Russia and Central Asia Aida Sitdikova said, "We are pleased to support projects in Kazakhstan that promote sustainability and reduce environmental impact. The project with KOM Munai will promote the application of modern technologies in resource management, which will save water and reduce carbon emissions. This will be the first time that such advanced technologies – beyond what is required by national regulation – are applied in Kazakhstan. We are happy to support a longstanding client's activities in two of the countries where the EBRD works – Kazakhstan and Romania."

The syndicated loan, KOM Munai's Managing Director Thomas Melvin Quigley said, "aims to diversify the financing sources for our activities in Kazakhstan."

"We highly value the EBRD's support for the implementation of state-of-the-art technologies, which will help to reduce our environmental footprint," he said.

The EBRD has invested close to \$6.5 billion into Kazakhstan's economy, with more than half of its investment in the private sector.

## Pavlodar, Omsk Administrations Sign Cooperation Agreement

By Alina Usmanova

A delegation from Kazakhstan's Pavlodar region headed by Akim (Governor) Kanat Bozumbayev recently paid a two-day visit to the Omsk region of Russia, resulting in the signing of a protocol on mutually-beneficial cooperation between the Omsk government and the Pavlodar akimat (administration).

Business people of the two regions signed a number of contracts. Over the two days of work, the Kazakh delegation visited industrial and agricultural enterprises, met with Omsk entrepreneurs and signed multimillion-dollar contracts.

The negotiations and exchange of contracts between companies were attended by representatives of about 100 enterprises from both sides.

As a result of the contracts, Pavlodar businesses will supply Omsk with coal, power, control and telephone cables and energy saving (LED) lamps. Pavlodar farms and trading companies also held talks about supplying vegetables, meat and dairy products, wheat and flour. For their part, Omsk manufacturers offered products in the food and processing industry, agricultural machinery and accounting equipment for the energy sector. The issues of increasing the cargo flow through the Irtysh River and the development of transit potential for the two countries were also discussed.

The Pavlodar delegation also met with representatives of the ethnic Kazakh and cultural centres. Bozumbayev visited the renovated street named after Chokan Valikh-anov.

He also had a meeting with the governor of the Omsk region, Viktor Nazarov, which resulted in the signing of a protocol on trade, economic, social, scientific-technical and cultural cooperation between

the two regions. A presentation of the economic potential of the region was demonstrated to the Kazakh delegation; in turn, Pavlodar representatives provided members of the Omsk government with the potential of their region.

As Nazarov noted, Kazakhstan is a key partner for Omsk, as the trade turnover between Kazakhstan and his region is growing every year. Kazakh partners are actively investing in the economy, establishing more than 150 joint Russian-Kazakh enterprises in the region. In 2013, Kazakh investors provided the economy with \$50 million in foreign investment revenue, while foreign trade turnover between the region and Kazakhstan amounted to more than \$405 million.

"We have a common goal, which is the development of our territories. I remembered the words of your President Nursultan Nazarbayev, who described the relations between Russia and Kazakhstan as standard integration in the post-Soviet space. We should follow this course in the future. I think that your visit will only strengthen our cooperation," said Nazarov in addressing the guests.

According to the governor, this cooperation has huge potential in trade and economic, educational and cultural spheres.

In response, Bozumbayev thanked the governor for the invitation to visit the region and for the warmth with which the delegation was welcomed everywhere. The akim told about the interests of business circles of the Pavlodar region and the signing of the contract to establish a Technopark with a logistics centre in Omsk. Construction will begin this year.

Pavlodar is interested in Omsk oil products, chemical products, tires and elite cereal seeds. In turn, Pavlodar enterprises are willing to sell coal, furniture and energy-saving technologies and supply

lamb and beef to the meat processing plants, especially with regard to the embargo on meat from EU countries.

Bozumbayev spoke positively about the work of the Omsk region's Ministry of Education, noting Kazakh children who live in the area learn their native language in school. But the akim believes that children need to know Kazakh literature as well. Kazakhstan is ready to provide schools with textbooks.

The Pavlodar delegation visited the refinery and saw the scale of modernisation. They were interested in the modernisation because such transformations are coming soon in the Pavlodar petrochemical plant. A year ago, the Omsk plant completed the first phase of the large-scale modernisation, which was aimed at improving the quality of motor fuel. As a result, the company increased the production of high-octane gasoline to 4.2 million tonnes, of which 3.6 million tonnes correspond to the fifth class of technical regulations. Omsk is ready to share experience.

The Pavlodar delegation, in turn, is willing to provide its neighbours with meat products. According to Nazarov, this niche is open today because the Russian retaliatory sanctions on products from Australia have resulted in a stoppage of supplies of beef and lamb from the country. Pavlodar can fill the void through the end of the year the region plans to export about 800 tonnes of meat and meat products.

"The potential of cooperation has not been exhausted and today's cooperation agreements represent a step towards further integration," the akim said.

In addition to the signed protocol, several memoranda in various fields were concluded during the visit. The Kazakh delegation invited the Omsk party to the innovation forum Invest 2014, which will be held in October.

# BUSINESS

WEDNESDAY, OCTOBER 1, 2014

## BUSINESS NEWS IN BRIEF

"The pharmaceutical market of Kazakhstan, among the Central Asian countries, wins first place in the categories of accessibility and transparency," said Vice Minister for Investment and Development of Kazakhstan Yerlan Sagadiyev at a Sept. 25 round table dedicated to investment opportunities in health and medicine. According to him, Kazakhstan's pharmaceutical market remains the most accessible and transparent in terms of the regulatory environment. "Its main drawback is the high import dependence," he said. At the round table, the Kaznex Invest national agency and the Ministry of Investment and Development signed a number of memoranda of understanding and cooperation with foreign pharmaceutical companies, including an agreement with BB and Company, Ltd. and the Italian company Promedical to establish a joint production of hemostatics for storing and cleaning blood. Agreements were also signed between Kaznex Invest and Kazmedpribor Holding, LLP, with the Korean companies Votem for the production of monitors and Micobiomed for the production of glucose monitoring systems and lipids, with Spanish company Osatu for the production of defibrillators and with Plast Europe to create sterile rooms for surgery. In addition, a contract was signed with Italian company Gesan Production Sri to build a plant to produce the automatic biochemical analyser CHEM-200 and medical reagents for diagnostic and laboratory equipment. A memorandum with the Korean Bemems company for the joint production of mammography was also signed.

Minister of Energy of Kazakhstan Vladimir Shkolnik and Sergei Kirienko, Director General of Russia's Rosatom nuclear energy corporation, signed an agreement on Sept. 30 according to which a nuclear power plant will be constructed in the town of Kurchatov in East Kazakhstan region. Under an agreement, signed in Atyrau as part of the annual meeting of Kazakh and Russian regional leaders and business people under the chairmanship of the two presidents, some components of nuclear fuel for the future nuclear plant will be made in Kazakhstan. Earlier, Kazakh officials said the country plans to build two nuclear power plants, one with Russia and another one with a foreign partner to be determined through tender.

"In the East Kazakhstan region, in small and medium business, 32 percent of the total population is employed," Akim (Governor) of the region Berdybek Saparbayev said at a Sept. 26 Central Communications Service (CCS) briefing. "The President set the task of having at least 30 percent of employees employed in this sector. To date, the figure is 32 percent. In this industry, currently 260,000 people in the region are employed and they produce about 450 billion tenge [\$2.47 billion] of marketable products and generate budget revenues of somewhere around 75-80 billion tenge [\$412 million-439 million]," said Saparbayev. The akimat (regional government) credits the Business Road Map 2020 with creating 3,000 new jobs and saving more than 14,000 jobs. In total, 14 projects worth 3 billion tenge (\$16.5 million) were implemented with the support provided in the form of the production infrastructure. In total this year, 2.3 billion tenge (\$12.6 million) was allocated for the implementation of the Business Road Map 2020.

"Entrepreneurship is a quarter of the economy of the East Kazakhstan region. The number of active small and medium-sized business entities [SMEs] is presently 67,000. Almost every third employable resident of the region is employed in the SME sector," Akim (Governor) Berdybek Saparbayev said at a Sept. 26 media briefing. "The production volume of SME entities increased by 2.8 percent, reaching 320 billion tenge [\$1.75 billion] over the reporting period," Saparbayev said. Businesses are also receiving state support through the Business Road Map 2020 programme, he said, and more than 17,000 entrepreneurs received all kinds of state support since the programme's implementation. This represents about 10 percent of the total number of people employed in the SME sector.

## Global IT Company Eyes Kazakhstan as Next Hub



By Michelle Witte

ASTANA – UST Global, an international information technology services and software development company, is exploring the possibility of moving to Kazakhstan.

The company, which has a presence in the Americas, Europe, East and South Asia and the Middle East, now wants to expand into Central Asia and UST Global Chief Commercial Officer Murali Gopalan told The Astana Times that Kazakhstan is "a natural choice." According to him, Kazakhstan has great IT potential – and can't afford to waste it.

In June, UST Global CEO Sajjan Pillai, Gopalan and other company executives visited Astana and met with Prime Minister Karim Massimov and other ministers to discuss establishing a presence here, after which they rated the country's attractiveness highly.

The government's support for innovation and the IT industry is one of the country's key attractions, the executives said. "We found the Kazakhstan government to be extremely progressive and dynamic

[and] keen to build an innovative information technology industry. The government is very forward-looking in this regard and has invited constructive dialogue from us," said Pillai. With the company's experience in developing the IT industry in hitherto unknown IT destinations, like India, Mexico and other countries, they say, they can have a positive impact on the level of IT services in Kazakhstan.

"In addition to being a large market for advanced software services, the country's involvement in the Eurasian Economic Union also allows a larger market access. This is also extremely attractive," Gopalan said.

The government's investment in technology parks is also a big plus for the company. "The Technology Park in Almaty is a great start for Kazakhstan. ... Technology parks play a vital role of being a catalyst for labour force aggregation, especially in knowledge industries, where sophisticated interactions create innovations," Gopalan said.

"The Almaty Technology park ... has high potential to aggregate the technology professionals in the country. Together with the IT universities that exist and that can be established in future, a great story in information technology services in Kazakhstan can be written."

The company would expect to continue serving their global cus-

tomers base with the move into Kazakhstan, Gopalan said. "[G]lobal organisations have requirements related to IT that stem from different parts of the world. At this time, there are a limited number of global IT organisations that have the capability to serve such needs out of Kazakhstan and neighbouring countries. We expect to be able to extend our service to this geography."

They would also be interested in serving local businesses and government organisations within Kazakhstan and in neighbouring countries, he said.

Kazakhstan can't afford to dawdle on developing its IT sector, Pillai said. "Technology is the new oil," he said. "Information technology is today, without a doubt, the industry with the strongest growth potential worldwide. Nations cannot afford to ignore the importance of a robust IT industry to grow their economies, especially as driven by a middle class population."

There are some challenges to establishing a global business in Kazakhstan, however. A lack of skilled workers is often listed as a problem, but the UST Global representatives said they found local talent they said they could build on.

"We have observed that Kazakhstan has excellent engineering and maths talent, which is vital for the

IT industry," said Gopalan. "We witnessed the work of some of the talented engineers in the country in the areas of robotics, artificial intelligence and so on, that has excellent potential." What UST Global would like to do, he said, is bring businesses operations problems to this talent base and allow innovative solutions to flourish.

Other challenges relate to infrastructure and changing clients' attitudes. Gopalan said, "The typical challenges for our business centre around the attraction and retention of good talent in the volumes that are needed by our business, the ability to convince global customers to have their IT requirements serviced from Kazakhstan instead of more popular destinations like India and infrastructural challenges including power, bandwidth, easy access to hardware, et cetera."

In the World Economic Forum's recently released Global Competitiveness Index, Kazakhstan's ability to attract talent was ranked 37th out of the 144 countries surveyed, but ranked 71st in its ability to retain it. UST Global would enter the country with a plan to overcome the talent challenge, Gopalan said.

"We have several talent sourcing models that could help us overcome the talent challenge. Our understanding of our clients' requirements allows us to position Kazakhstan's strengths very well

to overcome [the challenge of convincing clients to use IT services from Kazakhstan]."

Infrastructure is in the hands of the government, he said. "We have a high level of confidence that the government of Kazakhstan has the highest commitment to ensuring appropriate infrastructure that is necessary for the IT industry to succeed," he said.

The tax breaks, including suspending corporate and land taxes for 10 years, and other incentives for investment announced earlier this year by the Kazakh government would be a great bonus, the UST Global executives said, but not the main reason they'd be drawn to the country. "We applaud the tax breaks and investment incentives that have been announced by the government of Kazakhstan. However, UST Global's decision to move ahead in Kazakhstan is based on the immense potential that we see in the region, both as a producer and as a consumer of information technology services."

In general, they say, the country is making the right moves to attract sustainable business. "Our experience with the government showed us their speed of decision making, solid support for our plans, openness in hearing our feedback, willingness to invest in infrastructure needed to create jobs and business."

## Samruk Kazyna Privatisation Drive Offers New Investment Opportunities

By Arsen Baitursynov

ASTANA – Kazakhstan's Samruk Kazyna Sovereign Wealth Fund is moving forward with its plans to sell a sizable part of the enterprises it controls to the private sector.

Both Kazakhstan-based and foreign investors will be able to buy shares in 106 companies the state-owned fund manages under the so-called second wave of privatisation. The estimated value of assets to be offered up for sale is \$9 billion.

The first wave of privatisation took place in the 1990s when Kazakhstan moved to create a market economy out of the old Soviet, centrally controlled and planned economy.

The challenge of the current wave of privatisation is defined as strengthening the foundations of the market economy. The key idea of this campaign is to give impetus to the further development of private business in the country.

Samruk Kazyna will transfer companies to the private sector that were created as part of government initiatives on diversification of the economy and development of new industries.

The fund has worked on creating these companies under the instructions of the Kazakh government for a number of reasons, ranging from a lack of experience and financial capabilities of representatives of Kazakhstan business and the non-availability of strategic partners to work with to the need to provide funding on reasonable terms in the absence of state guarantees. Now the country's leadership intends to sell these enterprises to the private sector, which has now matured and is better prepared to develop companies in the future.

Samruk Kazyna did sell part of its assets to the private sector before, but that time it had been the sale of non-core assets and facilities of the fund. By the end of 2013, out of 713 such assets and facilities, a total of 482 assets were released from the fund's ownership, including 405 assets sold to the private sector.

This time, the privatisation will concern core assets in flagships of the national economy, such as KazMunayGas national oil and

gas company, Kazakhstan Temir Zholy national railway company, Kazatomprom national atomic company and a global leader in natural uranium production.

International companies will also be able to acquire some companies in the Samruk Kazyna portfolio without restrictions for sale as a strategic or socially significant facility.

The list of assets sold in the competitive environment comprises those in which the fund intends to sell up to a 100 percent interest. Legally, restrictions on the sale of large stakes in international companies are not available. The exceptions are strategic assets, decisions on which are taken in consultations with the Commission on Strategic Assets under the Kazakh government.

Samruk Kazyna is also considering selling a part or a stake in some enterprises to transnational corporations. The reasoning behind this step lies in the expected transfer of new technologies, development of the industrial base and the extension of the range of export products.

At the end of 2013, Samruk Kazyna's assets were valued at about \$93 billion. The assets of the traded companies are estimated at about 10 percent of this amount. The fund's management has already stated that the sales of the companies are subject to three key principles: transparency, legality and economic feasibility.

Nurlan Rakhmetov, Samruk Kazyna's financial director and member of its board of directors, explained the meaning of these principles: "First of all, it is transparency. It is ensured by the use of the newest information technologies in order to ensure the transparency of measures for the realisation of the assets and facilities."

Officials have already started implementing sales of assets on the electronic site of the Ministry of Finance of Kazakhstan at e-auction.gosreestr.kz.

"The principle of legality implies that all proposals for the realisation of assets will include the proper due diligence and that they will have to be free from the encumbrances or claims of the third parties. In accordance with the current legislation, a proposal on realisation of the pre-emptive

right will be submitted on those assets of facilities where there is a second owner or shareholder. In case of refusal of the right, the assets or facility will be put up for auction and sold to the successful bidder determined in the course of the bidding in compliance with all rules," Rakhmetov added.

"The principle of economic feasibility speaks for itself. The fund will realise assets at fair market value, trying to get maximum profit. If any assets do not find demand, the fund will take further decisions on the disposition of that property," Rakhmetov added.

Currently, the fund is actively reaching out on the sale of its assets, regularly publishing information on the sales. The plans include holding regular public meetings with potential investors and buyers.

## Construction Begins on Khorgos-East Gate Dry Port

By Asset Kalymov

ALMATY REGION – Construction has begun on the first dry port and logistics area at the Khorgos-East Gate special economic zone (SEZ).

The complex in the Panfilov district near the Kazakh-Chinese border will include multimodal facilities, transport infrastructure and warehouses for the storage, sorting and secondary packaging of goods in transit.

Work on the project is on schedule and several cargo terminals will be opened before the end of the year, according to Alii Karabalin, deputy head of technical supervision for the construction of the SEZ. The SEZ and its components – the Khorgos international centre for cross-border cooperation, dry port, logistics and industrial zones – will allow Kazakhstan to become a major commercial and transportation hub for the Eurasian continent, say experts. The SEZ's connection to the Zhetygen-Korgas railway and the Western Europe-Western China roadway corridor is also expected to increase the volume of cross-border traffic.

Turnover at the nearby Altynkol train station, for example, is expected to jump from 1.5 million tonnes of cargo over the past year to 12 million tonnes annually by 2020 as a result of the \$3.5 billion SEZ complex.

Companies such as Hewlett Packard, Toyota and DHL, which plan to open distribution centres at the complex, have also expressed interest in the dry port. The industrial zone also helps facilitate the launch of enterprises in food production, machinery and equipment, leather, textiles and metal products.

Potential investors in the project are exempt from all taxes and customs duties, and the land lots will be provided to them free of charge for 10 years. Thus, favourable conditions for the development of small and medium-sized businesses are created. In coming years, the Khorgos-East Gate SEZ, which will encompass nearly 6,000 hectares, is expected to become a significant point of economic growth not only in the Almaty region, but also throughout the country.

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# EDITORIAL & OPINIONS

WEDNESDAY, OCTOBER 1, 2014

## Terrorism Presents Multi-Pronged Threat, Requires International Cooperation to Defeat

Radicalised political Islam, the reignited war in Iraq, and Syria's prolonged and devastating civil war are fostering a level of terrorism that the world has never before witnessed. The rise of foreign terrorist fighters is a problem so acute that the UN Security Council has held an open debate on the issue and adopted a resolution aimed specifically at this new type of combatants. Some estimates count more than 15,000 foreign fighters from more than 80 nations fighting in Syria in recent years, including, according to some reports, a number of Kazakhstan citizens.

Erlan Karim, a prominent political analyst, recently published a report titled, "Our People in a Foreign War," and outlined the tendencies his research team observed over the course of their many months of research. The reasons fighters join the jihadi movement fuelled by terrorist groups like the Islamic State in Iraq and Syria and the Al-Nusra Front are too numerous to count individually, but the expert classifies them into three distinct categories.

The first group of people to join are those he calls "victims of their problems." These people's lives are either full of issues, such as financial problems, or they are criminals facing prosecution. Their desperation makes them susceptible to being manipulated into thinking that waging "holy war" is a path to redemption. The second category consists of those who are "lied to" about conditions in Iraq and Syria. These people are believers who fall victim to propaganda and don't know the real conditions in what are currently war zones. Members of these first two categories may have gone to Syria and upon discovering the reality of the situation, want to return, although these attempts are not always successful. The last category of Kazakhstan fighters in Syria is that of the "fanatics." These people deliberately set off to fight and are fully aware of what they are committing themselves to.

Yerzhan Ashikbayev, deputy minister of foreign affairs of Kazakhstan, participated in UN Security Council open debates on behalf of the country, proclaiming, "Terrorism now has no national or ethnic identity, citizenship or religion. It poses a threat to all nations, rich and poor, and this threat, which ignores borders, is growing rapidly." Ashikbayev proposed a comprehensive plan of action that includes the furthering of universal anti-terror legal instruments and other mechanisms. He also highlighted the need to build up both national and international anti-terrorism capabilities, expand networks and mechanisms for the exchange of best practices and create an international database of terrorist organisations and individual terrorists.

Money trails are also to be monitored as terrorist groups often use laundered money to finance their operations. The Central Asian Regional Information and Coordination Centre, which specialises in combating the illicit trafficking of narcotics is already making headway in considerably reducing the amount of drug money used by terrorists.

Ashikbayev also made a point of using non-military organisations and encouraged all member states and other stakeholders to encourage the integration of migrants into society, thereby reducing their social and economic marginalisation, which if left unchecked, can lead to increased terrorism. An increase in dialogue between ethnic groups, religious denominations and cultures would reduce the risk of radicalisation. He brought up the Kazakhstan model as an example. In a country where more than 130 ethnic groups and 17 religious denominations live peacefully, the government is making exceptional efforts to promote the ideals and values of inter-ethnic and interfaith dialogue through various cultural associations under the supervision of the Assembly of the People of Kazakhstan. Finally, he reminded the UN that Astana regularly hosts the Congress of Leaders of World and Traditional Religions.

The UN Security Council unanimously adopted a resolution targeting foreign terrorist fighters. It calls for nations to adopt new laws and regulations to prosecute and penalise those affiliated with terror groups, prevent the entry or transit of individuals linked to terrorism and target funding for terror groups. Kazakhstan made changes to its laws in April. Starting Jan. 1, 2015, wilful participation in armed conflict or military operations on the territory of a foreign state, even in the absence of a mercenary contract, can get a Kazakhstan citizen a jail term of three to seven years.

Kazakhstan is actively engaged in counter-terrorism activities through a number of international organisations such as the Organisation for Security and Cooperation in Europe (OSCE), the Shanghai Cooperation Organisation (SCO), the Conference on Interaction and Confidence-Building Measures in Asia (CICA) and the Collective Security Treaty Organisation. But, building a safe environment free of religious extremism will require economic and educational advancement as well as military and intelligence cooperation between states.

The threat terrorists pose for Kazakhstan, although relatively small, is very real. According to Deputy Prosecutor General of Kazakhstan Zhakip Assanov, the intelligence services of Kazakhstan prevented nine terrorist attacks in 2013 and 2014. "Since last year, special services have stopped nine terrorist attacks. For example, in April 2014, two supporters of a radical religious ideology, encouraged followers to go to Syria and participate in military actions against law enforcement officials. The courts sentenced them to five years each in prison. A foreign terrorist group purposefully prepared one of our citizens to create an armed terrorist group inside of Kazakhstan," Assanov said at a plenary session of the Senate.

Also, according to Assanov, thousands of online extremist materials, including websites, have been taken down. "Since 2004, the country has deemed 15 organisations to be terroristic and six as extremist. These organisations were shut down and are now entirely absent from the country," added Assanov. Still, since 2011, Kazakhstan has seen more than 10 recorded terrorist attacks. They have killed 21 people, including 17 law enforcement officers and special service agents. These incidents, which occurred in Almaty, Taraz and Aktobe, are likely to have been encouraged by outside forces. Terrorist organisations currently fighting in Iraq and Syria are particularly suspect in these cases.

According to Karim's report, somewhere between 180 and 250 Kazakhstan citizens are currently fighting as jihadists in foreign terrorist organisations. "It is no secret that these organisations are spreading their negative policies in Kazakhstan," says Deputy Prosecutor General Assanov.

Kazakhstan is not immune to this gruesome global trend. Foreign fighters are being recruited from even the most advanced nations. But the government is fighting the terrorist threat along with its partner states and believes that strengthening international cooperation is key for effective and long-term results on this matter. It is the right course of actions, and the one that should be supported by both the domestic audience and international partners.

## Human Capital in Today's Economy

By Dina Aslanova

Highly capable and well-trained human capital is a must if President Nursultan Nazarbayev's Strategy 2050 development plan for Kazakhstan is to be realised on time. In his state-of-the-nation address, he noted that Kazakhstan's self-employed are a great well of talent. "We must give all citizens the opportunity to participate in our country's industrialisation," Nazarbayev said.

This topic was the subject of a recent interview with Alikhan Smailov, chairman of the Committee on Statistics of the Ministry of National Economy.

### Who is considered self-employed?

The term self-employed came to us from the international classification of employment statuses and is based on United Nations (UN) principles and recommendations regarding the economic characteristics of the population. International Labour Organisation (ILO) specialists use this classification for most countries. According to the ILO, those aged 15 and older are included and are classified as either economically active or inactive. The economically active population is divided into the employed and unemployed. The employed section is divided into a recruited category, i.e. working under an employment contract and non-recruited or self-employed. The self-employed category includes employers, members of cooperatives, individual entrepreneurs and country dwellers engaged in home production and cottage industries.

In the second quarter, the population aged 15 years and older included 12.7 million people, 9.1 million of them are considered economically active, and 3.6 million are listed as economically inactive. From among the economically active, 8,650,000 people are employed and 461,000 are unemployed. Approximately 6,040,000 of the employed have an employment contract, while 2.61 million are independently or self-employed; this figure includes employers, which number 166,000 people, members of cooperatives – 11,000, and 1.5 million people are individual entrepreneurs (1.2 million are registered and 258,000 are unregistered), 906,000 are country dwellers engaged in various sorts of cottage industries (both for their own consumption and for sale). It is estimated that 62 percent of all employees engaged in cottage industries profited from selling their product.

The total number of employed young people (aged 15-28 years) was 26 percent (2.3 million), 30.3 percent (682,400) of this demographic are self-employed. Approximately 26.1 percent (2.6 million) of the total self-employed population are youths aged 25-28 years of age. The youth unemployment rate in the second quarter was 4.6 percent (in 2013, it was 5.5 percent).

### How do statistics agencies determine that a person is self-employed?

A sample survey of the population is taken quarterly. An employment survey found that ILO standards are met and the law titled "On Employment" is abided by.

A special questionnaire given to the public asks respondents a logical sequence of questions. Based on respondent answers, the population is classified by the level of economic activity; classifications include paid employment or self-employment, unemployed and economically inactive.

About 75,000 people 15 years of age and older are surveyed. The survey covers all regions of the country. Most countries use similar approaches in determining self-employment figures.

### Why must statisticians differentiate between self-employed who are considered to be productive and those found to be nonproductive?

Not all self-employed generate sufficient income for a decent living. Therefore, it is necessary to determine how much of the self-employed population needs assistance in acquiring basic needs and or finding better paying employment. In order to make progress in helping these people, the President set forth a programme called "The Social Modernisation of Kazakhstan: Twenty Steps to a Society of Universal Labour." In 2012, we began dividing the self-employed into productive and unproductive categories based on their income.

This approach was met with approval. Those self-employed with a monthly per capita income below a certain level are listed as unproductive. To make this possible, a living wage was calculated. There were 782,000 people engaged in this type of unproductive employment in Kazakhstan during the second quarter and for the



Alikhan Smailov

past year, totals peaked at slightly over one million people. All of them are part of the unemployed target group established by the Employment Road Map 2020, which defines various support and assistance mechanisms. For example, employment assistance is provided in the form of training and relocation, micro-credit, project management services (namely in marketing, legal advising, accounting and other areas). This category, regardless of monthly income, includes the individually employed (regardless of whether they are inactive or unregistered), those employed in subsistence agriculture and unpaid family workers. Further, regarding those with a monthly income below the living wage are cooperative members, the individually employed (both registered and active) and those employed in private agricultural production with the intent of reselling harvests (exchange).

The current makeup of the unproductive workers category indicates that most people in the category are unregistered individual entrepreneurs working in cottage industries and producing goods for their own consumption, or those whose average monthly income is less than the living wage of the region where they live. The level of involvement of the unproductive self-employed in productive employment will determine the amount of benefits they are allowed to reap from the social security and welfare systems.

The social and economic benefits of these measures are clear. Firstly, on an individual level, improving social protection, reducing risks caused by old age, illness, loss of employment, improving incomes, better living conditions and increasing economic opportunities are important. Secondly, for the state, reducing social tensions also eases the risk of unrest over issues stemming from poverty and low income. Increasing confidence in government policies, establishing more stable social security institutions, such as the pension system and insurance industry, improving the competitiveness of the economy, increasing productivity, improving the quality of the workforce and increasing the tax base are important.

### How long has the statistical agency been putting these metrics together?

Employment indicators, including the number of self-employed, have been kept since 2001 based on the results of sample surveys concerning employment in all regions of the country. Survey methodology, questionnaire design, methods of calculation and sampling techniques were developed in conjunction with leading experts from Germany's statistical office as part of a technical assistance project of the European Union (EU) TACIS.

According to global estimates carried out by experts of the International Monetary Fund (IMF) in 2002 and 2007, Eurostat and UNECE in 2003, the UNFPA in 2005, the UNECE and UNESCAP in 2007 and the World Bank in 2007-2008, "a survey of the work force meets international standards and ensures the provision of objective and comparable information on employment and unemployment in Kazakhstan's labour market and its regions." Proof of this is the fact that in 2003, Kazakhstan adopted the Special Data Dissemination Standard (SDDS).

Since 2012, Kazakhstan has implemented the KAZSTAT project to strengthen the nation's systems of statistics. As a result of projects regarding employment statistics for 2015-2016, the sample will improve as will the procedures used to measure it. A list of indicators including informal employment, employment quality, labour performance and a log of working hours will be compiled.

### In what industries are the self-employed generally engaged?

According to second quarter of 2014 findings, the majority of self-employed work in agriculture – 51 percent (in 2009 – 62 percent) and 25 percent in the retail sector; about 24 percent of self-employed work in areas such as education, health-care, construction and transportation.

### Legally, how are the self-employed recognised?

The legal status of the self-employed is defined in Kazakhstan's Law, "On Employment." According to Article 1 of this law, the self-employed are individuals, independently engaged in the production (and sale) of goods, works and services for income, including subsistence production, members of producers' cooperatives, unpaid family workers (households) and employers hiring salaried employees. This was put into law in June 2011.

### What is the attitude towards the self-employed population in international practice?

Historically, in Europe and the United States, self-employment has been one of the most effective answers to unemployment. Fostering self-employment has allowed many countries to mitigate unemployment related social issues in times of crisis. Since the early 2000s, in connection with a steady increase in the proportion of self-employed in the labour market, this issue has been more closely studied in the developed world. The share of the self-employed in total employment in developed countries is about 12-14 percent. In France it is 11 percent, in Germany 12 percent, in the UK 15 percent, in the Czech Republic 19 percent, in Italy 25 percent, in South Korea 28 percent, in Turkey 37 percent and in Kazakhstan 30 percent. The survey's results show that on average, the average self-employed individual works 34 hours a week (in 2009 – 30 hours) in Kazakhstan and only 0.4 percent of all self-employed work five hours or less. This testifies to their significance to the country's economy.

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# OPINIONS

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## Regional Cooperation Key to Helping Afghanistan, Says Kazakh Ambassador

By Nurken Alimbayev

In an interview with this newspaper, Omirtai Bitimov, Kazakhstan's ambassador to Afghanistan, discussed the challenges and opportunities the current situation is presenting there and Astana's policies in that regard. Bitimov, 63, who served in Afghanistan during Soviet times and later directed Kazakhstan's intelligence service, brings a lot of experience to his current job, which he has occupied since June 2011.

### How would you evaluate the internal situation in Afghanistan?

Afghanistan is going through a difficult transition period. Before the end of this year, the withdrawal of the main part of the International Security Assistance Force (ISAF) should be completed. The transmission of full responsibility for security from ISAF to Afghan authorities is continuing.

The country faced a number of ambiguous political events, including problems with the presidential election. An audit of ballots and counting of votes, with the participation of national and international observers, was completed. On Sept. 21, the candidates signed an agreement to create a government of national unity and the Afghan Independent Election Commission declared Dr. Ashraf Ghani Ahmadzay as president and Dr. Abdullah Abdullah as chief executive.



Omirtai Bitimov

I regret to point out that the Taliban movement, Haqqani network, faction of the Islamic Party of Afghanistan organised by Gulbuddin Hekmatyar (IPA-G) and Al-Qaeda are actively continuing their efforts. The Afghan National Security Forces (ANSF) successfully confront them, although they suffer losses. The situation is complicated by the fact that the national economy is still heavily dependent on external donor assistance.

However, with the support of the international community and various major donors including Kazakhstan, the Afghan government achieved a number of positive results in economic recovery.

### What is the state of bilateral relations between Kazakhstan and Afghanistan and the prospects for their further development?

Cooperation between our countries is steady and not limited by the provision of humanitarian assistance. Within the framework of donor assistance, the Taluqan-Kunduz-Shirkhan-Bandar road was reconstructed, a school was built and construction of a hospital is almost complete. Financial support of \$1.5 million for project development is being prepared.

The successful implementation of the state education programme to train 1,000 Afghan students in Kazakh higher education institutions should be highlighted. We believe this is a tangible contribution of our government to Afghan stabilisation efforts in the international community.

Afghan universities have expressed a desire to build partnerships with institutions, such as the Al-Farabi Kazakh National University and the S. Afsendiyarov Kazakh National Medical University.

Within the framework of the Kazakhstan-Afghanistan Intergovernmental Commission (IGC) on trade and economic cooperation, relationships between business people of the two countries have been established.

Contacts between female representatives of our countries were established and developed this year when Minister of Women's Affairs

Hussn Banu Gazanfar visited Kazakhstan and was accompanied by female members of the Afghanistan National Assembly.

We have evaluated the possibilities of Afghanistan as an important trade and economic partner. Its market has a great practical interest for us.

### In which spheres of activities is Kazakhstan more likely to contribute to the reconstruction of Afghanistan?

Kazakhstan's leadership considers Afghanistan as a potential partner in the region. It has extensive transit opportunities with access to South Asian states. In this regard, our country is interested in the speedy restoration of Afghan stability that will really contribute to the active development of trade and economic relations.

Astana's support of the Istanbul Process is a practical step in cooperation development. A ministerial conference under the Istanbul Process was held in Almaty last year involving the Heart of Asia countries.

### What is your assessment of the presidential elections in Afghanistan and how do they impact the future development and situation in the country?

Despite difficult political and military terms, nationwide democratic elections were held for the first time. From recent history, we know

state power was mostly transferred unconstitutionally by forcible seizure and now we observed the first peaceful transfer.

Afghanistan and the international community are expecting positive changes with the election of a new president. It is predicted that this could radically change the situation in the country in terms of achieving social stability and economic recovery. In pre-election programmes, both Ashraf Ghani Ahmadzai and Abdullah Abdullah expressed a commitment to the continuation of democratic reforms, further development of the national economy, taking into account the country's rich natural resources, preparation of qualified personnel and opportunities for regional and international cooperation.

The new president will have to lead a delicate interethnic policy in order to meet the needs of all ethnic groups. This can be achieved only through using democratic tools, a parliamentary system and developing a strategy for national unity. The experience of Kazakhstan in this area would be useful.

### What is the attitude of the Afghan people to further military and humanitarian presence of the United States and its allies?

The U.S. and Afghan governments intend to sign the Agreement on Security, which will determine the nature, number and legal status

of American troops in Afghanistan after 2014. In general, Afghan society has an understanding of a further U.S. military presence and sees the U.S. as the guarantor of preserving the internal stability in the country and the avoidance of another civil war, as well as subsequent progress in the social and economic development of the state.

At this time, a number of local residents are working in foreign military bases, which could lead to a higher rate of unemployment and a possible resurgence of social tension. On the other hand, the United States and other members of the international community promise to provide the government with financial support and training security forces in the post-withdrawal period. The UN will continue also its significant work.

On a bilateral and multilateral basis, a large number of higher and secondary educational institutions were established in Afghanistan.

### What are the prospects for regional cooperation of the Central Asian states with Afghanistan against drug trafficking?

Without cooperation with neighbouring countries, it is impossible to solve the problem of drug trafficking in the region. The activity of a confidence-building measures group in the framework of the Istanbul process on Afghanistan, in which Kazakhstan is an active participant, is useful.

In fighting against drug trafficking in the Central Asian states, the development of partnerships seems appropriate between law enforcement agencies and the special services of the Central Asian countries and Afghanistan.

## Kazakhstan Overcomes Challenges Facing Landlocked Nations

By Dauren Abayev

The recent commissioning of the Zhezkazgan-Beineu and Arkalyk-Shubarkol railways, as well as the upcoming launch of the Kazakhstan-Turkmenistan-Iran railroad, draw a line under the key stage of the transport strategy of our country. Thanks to this, Kazakhstan was able to capture a unique niche in the global market of time and space.

### Locked by the land

There are 48 countries in the world deprived of access to the sea. They are cut off from the opportunities of maritime trade, which accounts for about 90 percent, or the lion's share of world trade. The international merchant fleet, comprising more than 50,000 vessels, forms what we call the global market.

In his book "The Bottom Billion" influential British economist Paul Collier has identified the lack of access to the sea as one of the main "traps" that hinder the development of countries, condemning them to stagnation. The landlocked countries are home to 40 percent of the "bottom billion" – the poorest group of mankind, as opposed to the so-called "golden billion."

There are very few exceptions to this rule. One of these is Kazakhstan, the largest landlocked country in the world on whose territory the most distant spot from the world's ocean is located. In the modern history of the world, there is almost no precedent for such an

impressive overcoming of a "transportation trap." Yet, by its example, Kazakhstan has proven that a lack of direct access to the sea is not a reason to be doomed.

### Now or never

At the time of independence, our country was stuck in a stalemate. The transportation system inherited by Kazakhstan did not provide access to external markets and also did not allow for the formation of a single internal market. As such, all types of communication did not have a single network. This is not surprising, since the fragmentation of transport routes reflected the fragmentation of the economy.

We not only had to build new roads and pipelines, ports and power lines, but it was necessary to create a new coordination system.

It should be noted that the problem of continuous investments in transport is relevant to all countries. According to the International Energy Agency, by 2050, the global infrastructure will require an investment of \$45 trillion.

Meanwhile, in the 1990s, Kazakhstan lacked the money even for urgent needs. The country was at a strategic crossroads: either save on investments in infrastructure until better times or move forward in spite of all costs.

At that time, the political will of President Nursultan Nazarbayev played a crucial role. The head of state was able to look beyond the current economic upheavals and

"see the sea behind the waves." He justified the choice for the infrastructure in his state-of-the-nation address in September 1999. "The history of Central Asia in the second millennium showed that the nations which are in the centre of the continent and do not have access to global communications have no future. The fate of all the peoples of Central Asia, if you remove details, depends on one main thing: whether we will be able to become a transport channel of global significance or will find ourselves on the sidelines again."

Transportation infrastructure was identified as a priority area on which the future of the country depended. At the same time, the contours of strategic projects were outlined. Most importantly was that the President succeeded in implementing them, although many countries were seeking a way out of the "transportation trap," and were getting stuck at this very stage.

First, the Caspian Sea capacity was used to the maximum. Modernisation of the Aktau port turned it into a major transportation hub, through which nearly a third of the turnover in the Caspian Sea is now implemented.

Second, Kazakhstan became positioned in the ports of other countries to grow the flow of domestic goods. Currently, the number of foreign port assets includes the Baku Grain Terminal, a Black Sea port of Batumi, a grain terminal in the Baltic port of Ventspils and a Kazakh-Chinese terminal in the Pacific port

of Lianyungang. As a result of this advancement, despite being cut off from the sea, Kazakhstan has managed to build a port infrastructure which is diversified in all areas.

Third, even in the most difficult economic times continental-scale investments were allocated for the development of all types of communication. In the pipeline field, new Kazakhstan-China transport corridors were created for the export of oil and gas to one of the largest markets in the world. In addition, the Caspian Pipeline Consortium (CPC) oil pipeline was laid, which has become the main route of oil supplies from the Caspian region.

Equally active construction was carried out in the road sector. The largest transit project of global significance is the 2,700-kilometre Kazakh section of the Western China-Western Europe auto corridor.

The construction of railways saw a major boom on a regional and even a global scale. During the years of independence, 2,500 kilometres of railways were built in Kazakhstan. Sections of the Kazakhstan-Turkmenistan-Iran international line and Zhetysay-Korgas railroad were built, which accelerated the delivery of goods between China and Europe. New roads linking Zheskazgan-Beineu, Arkalyk-Shubarkol, Aksu-Degelen, Khromtau-Altynsarin and Shar-Ust-Kamenogorsk directly tied the northern, central, western and eastern regions of the country to each other, reducing the distance by hundreds of kilometres.

The capacity of the Aktogai-Dostyk key transit area was increased.

Unprecedented construction of railroads gave birth to railway engineering, an entirely new industry for the country, and breathed life into a wide area.

Thus, the strategic task to turn Kazakhstan into a transport hub of Eurasia and make the deadlock a crossroads was promptly solved. Transport did not become a "bottleneck" for economic development. On the contrary, it was one of the most effective among its incentives, creating a strong demand for goods, services and labour.

### All roads lead to Kazakhstan

There is another result of the transport strategy pursued by President Nazarbayev.

What is the global transport infrastructure? According to the Organisation for Economic Cooperation and Development (OECD) definition, it includes international maritime trade and transport routes, major ports and gateways and their connections by overland transport corridors as well as continental footholds. Kazakhstan, in fact, was out of this infrastructure, "on the sidelines" so to speak. But if we impose all projects realised in recent years on the strategic transport world map, we can see a clear picture.

First, access to seaports in the east and west was obtained. Second, our

own footholds in the country were established. Thirdly, two international continental transport corridors were built. Thus, all links on implementation of the task to include Kazakhstan in the global transport infrastructure were formed. This is the case of "the mountain coming to Muhammad."

Entering into the major transport game in a timely fashion, Kazakhstan has managed to build a foundation for development as a global transit power. This can be called a decisive economic achievement of our country at this stage. In addition, all the prerequisites were created in order to avoid the "middle income trap." Economists estimate that countries which achieve a GDP amounting to \$16,000 per capita typically get stuck at this stage. According to forecasts, Kazakhstan will reach it in 2016. The created infrastructure space and the rapid development of transport engineering suggest that "the problem 2016" will be successfully resolved.

Without any exaggeration, one can say that the historical choice of the transport strategy made by President Nazarbayev has paved the way for us into the future. This path involves acquiring new, bolder targets, including the Nurlu Zhol project. After all, success is not a destination, it is a way, and Kazakhstan is confidently moving along this way.

The author is the advisor and press secretary to the President of Kazakhstan.

## President's Strategic Vision Delivers Connectivity

By Zarema Shaukenova

Kazakhstan President Nursultan Nazarbayev's recent interview with Khabar TV at the foothills of Ulytau, a sacred mountain in Kazakh lore, covered a broad and in-depth list of topics critical to the country.

In the interview, it was made clear that Kazakhstan will stay the course on its domestic and foreign policy. In answering a reporter's question about concerns surrounding the creation of the Eurasian Economic Union (EEU), the President noted that all the talk about the disadvantages of Kazakhstan's participation in the EEU is a manifestation of dilettantism. The President stressed that the establishment of the economic community of the three countries has already caused a marked decrease in delivery costs for goods shipped throughout the union's territory and therefore, Kazakh products have become more competitive in the global market.



"The EEU is an exclusively economic union, not a political one: all member countries have an equal voice, everything will be decided by consensus," President Nazarbayev stressed. Besides, Kazakhstan will always have the right to withdraw

its participation from the union if it feels its sovereignty is being threatened. In general, the union has many pros and "there are no real arguments against it." In addition, the strengthening of trade and economic relations with neighbouring countries will strengthen our security, as it is beneficial for the trading partners that the situation remained stable on their territory.

The EEU is one of President Nazarbayev's personal projects. He conceived the idea and promoted it himself; the EEU is his child, the fruit of his intellectual reasoning and political efforts. The implementation of the EEU as an economic union enforces consistency in the Eurasian integration process.

Against a background of geopolitical shocks, Kazakhstan demonstrates tranquility and adheres to the principles of good-neighbourliness and cooperation. This is due to the fact that the leadership of Kazakhstan has adopted a strong model

of national development based off of positivity and inclusivity. Kazakhstan, headed by President Nazarbayev, has carefully avoided conflict during negotiations and seeks harmony. Therefore, the political rhetoric in the country is much thinner; [the rhetoric] includes symbols and a thin elegant political game with an end goal of retaining independence and the capacity of new resource development and competitiveness.

"Those who do not want to understand it will not understand," the President noted in the same interview, giving the following example, "Kazakhstan is located in the centre of the continent. We have no access to the sea. The price of building a two-story house in Kazakhstan is that of building 10 houses in Malaysia. These countries are located by the sea and shippers can easily load goods onto ships and sail them for a very low price. Copper is exported from trains out of Karaganda

and Zhezkazgan; fare is determined per kilometre until the load reaches the shores of the Black sea. Our 'sea' is Russia. Our 'sea' is China. If we figuratively consider these two countries to be seas, we are on their shores. If we do not trade with them, how will our economy grow? Therefore, establishing economic relations with close neighbours is inevitable and vital for us," President Nazarbayev concluded.

Another important message in the Ulytau interview was the development of inland regions. Kazakhstan's border areas are generally more developed than its interior, which is often merely transited. That was before the railway lines from Shubarkol to Zheskazgan and Beineu were built. Vital roads lie along inland areas. Kazakhs were happy about the opening of rail links through Khromtau, which provided a straight path from the northern regions to the west and through the station Shar in the East Kazakhstan

region, which shortened the route from Almaty to Oskemen.

The direct railway line from the agricultural regions to the Caspian ports is now open; this shortens the route by one day. This is a great achievement and is part of a global project to revive the Great Silk Road. Huge swaths of central Eurasia have been transformed into a modern-day embodiment of this road. Between this project and the 2,000-kilometre Kazakh segment of the Western Europe-Western China road, large amounts of goods will traverse our country.

This is the strategic vision of President Nazarbayev when Kazakhstan and Central Asia will no longer be considered the backyard of the world trade routes.

The author is the director of the Institute of Philosophy, Political Science and Religious Studies of the Committee of Science of the Ministry of Education and Science of Kazakhstan and a corresponding member of the National Academy of Science of Kazakhstan.

# EURASIA&WORLD

WEDNESDAY, OCTOBER 1, 2014

## Pakistan Ambassador Hopes to Increase Trade, Urges More Regional Cooperation on Afghanistan

By Michelle Witte

ASTANA – Ambassador of Pakistan to Kazakhstan Shaukat Ali Mukadam wants to make the trade and economic cooperation between the two countries more indicative of their warm and long-standing political relationship.

As he pointed out in an interview with The Astana Times on Sept. 25, Pakistan was one of the first countries to establish an embassy in independent Kazakhstan, and high-level meetings are regularly held – yet trade between the two countries was only \$44.3 million in 2013.

“Trade is, unfortunately, not commensurate with our good political relations. ... I want to take it to \$150 million, at least, in the next three years,” Mukadam said. The potential is there, he says: Pakistan’s agricultural sector means it has agricultural expertise to offer, as well as agricultural products; its surgical instruments and pharmaceuticals will be useful in a developing health sector.

The ambassador also wants to see more manpower exports. “Our workforce is very good. We can participate in the infrastructure development of Kazakhstan, particularly in Astana, as a new city coming up; there is huge potential. Our workers are very good, very hard working. They have been tested in the hot summers of 50 C, so I am sure that they will do it in -50 C also,” he laughed.

Education is another promising field, Mukadam said. Pakistan’s national language is Urdu, but its official language is English. “In the education sector we can cooperate in language training; we have excellent language institutes. I’d like more Kazakh students to go learn English in Pakistan.”

Work is underway to increase trade between Kazakhstan, Pakistan and the rest of the countries in their neighbourhood. A 2011 agreement between the countries’ chambers of commerce helped bump trade by 22 percent between 2012 and 2013, Mukadam noted.

Events like the Central Asian



Shaukat Ali Mukadam

Business Opportunities Conference (CABOC), organised by the government of Pakistan, the U.S. Agency for International Development (USAID) and the Rawalpindi Chamber of Commerce and Industry, bring together investors and representatives of business and government from Afghanistan, Pakistan, Tajikistan, Turkmenistan, Uzbekistan, Kazakhstan and Kyrgyzstan to find ways to increase regional trade.

At this year’s CABOC in Islamabad in April, “Out of 55 businessmen from the whole of Central Asia, 35 were from Kazakhstan,” Mukadam said. Ahead of the conference, in March, a group of 12 Pakistani businesspeople visited Kazakhstan to meet potential partners. “This has created a lot of interest in Kazakh and Pakistani businessmen. We hope this will foster greater economic activities,” the ambassador said.

“We see a lot of potential. On the investment side, there are Pakistani companies investing in oil exploration, they are looking for new oil areas. Some are interested in the mining sector. So there is interest on the trade side and also on the investment side,” he said. Representatives from Pakistan’s business community will be taking part in exhibitions in Almaty and Astana in October, he added.

Of course, increasing trade with landlocked Kazakhstan must coincide with improved transit infrastructure and increased regional connectivity – all of which lead to the issue of Afghanistan.

“Trade is low, and one of the reasons is the connectivity issue,” said Mukadam. “The trade route through Afghanistan is risky. So that is the issue – it takes time and it is risky, coming through uncertain conditions. ... But having said that, we understand that the potential is there. We are looking at the new railroad between Kazakhstan, Turkmenistan and Iran – that could open new avenues for us and for them.”

Pakistan is developing its road infrastructure to be prepared for a more connected region, one day. They also offer significant access to the sea for Kazakhstan, the ambassador said. “There’s a new port that has come up at Gwadar, at the mouth of the gulf – that could be of great interest to them, as it’s a deep-water port and the shortest route to warm-water ports.”

Stabilising Afghanistan, however, is crucial. Today, the two countries are working concurrently in the country, contributing to training, education and infrastructure projects, among others, but there is no coordination to their assistance, though they do share information.

“It’s in our interests to have a stable Afghanistan, a prosperous Afghanistan,” the ambassador said, “because instability in Afghanistan has a serious impact on Pakistan first.” Afghanistan’s problems manifest themselves in Pakistan’s economy, in the increased possibility of violence. His country does its best to contain those issues, particularly the potential for terrorism, and keep them from spreading throughout the region, he said. But Pakistan has suffered greatly over the decades of Afghanistan’s upheaval – the country still hosts some 2 million Afghan refugees, he noted – and a change is needed.

The key to peace and stability, according to Mukadam, is generating economic activities within Afghanistan – and events that connect regional businesses foster that. “Pakistan and Kazakhstan can play a vital role in developing economic activities and initiatives such as the

CABOC under the umbrella of USAID and [the Central Asia Regional Economic Cooperation Forum] CAREC could be helpful.”

As international forces withdraw from Afghanistan this year, Mukadam said, more active engagement by all Central Asian countries is needed, especially because of their long and porous borders. Though he expressed hopes for Afghanistan’s new government, he is wary of the vacuum departing international forces could leave. “We don’t want Afghanistan to go back to square one. This, Pakistan cannot afford or sustain any more. And the Afghan people have suffered a lot – we hope there is stability and progress coming to them. So we feel that the regional countries should have more cooperation, especially in the post-withdrawal period.”

Efforts like the Istanbul Process regarding a platform for regional discussion and enhancing cooperation, are good, but need to be intensified, he said. “We feel that the Istanbul Process, the migration of refugees, the protection of refugees – that is not going on a fast track. More impetus should be given to the Istanbul Process and it should be more energised ... we hope that in the near future we’ll have more conferences, more understanding and it’ll go on a faster track.” Military training for Afghanistan should also be intensified, he said.

On international issues, Pakistan and Kazakhstan see eye-to-eye, Mukadam noted. Pakistan supports Kazakhstan’s bid for a non-permanent seat on the UN Security Council and is keenly observing the evolution of the Eurasian Economic Union, he said.

There are lots of new things happening in Kazakhstan, said Mukadam, who first visited Astana 14 years ago. “I was deputy for protocol, I came with the President at the time. ... The Astana you see today is a very modern and vibrant city, and this is the fruit of the vision of President Nursultan Nazarbayev and the hard work of the people of Kazakhstan.”

## President Addresses Pressing Issues During SCO Summit in Dushanbe

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The heads of state also exchanged views on the situation in Ukraine and Afghanistan. Nazarbayev said that the conflict in Ukraine requires an immediate solution. “A major concern we all have is the situation in Ukraine. The scale of the impact of the crisis has long gone beyond the country. The situation in eastern Ukraine requires immediate action. The only long-term solution to the problem is political dialogue and consensus,” he said.

The SCO unanimously supports peaceful dialogue and a speedy resolution of the conflict. The leaders of the participating countries also voiced support for the Russian President’s recent initiative to peacefully settle the conflict in Ukraine’s southeast. Also, Nazarbayev suggested the establishment of a constructive intra-Afghan dialogue to ensure stability in Afghanistan.

In addition, the President of Kazakhstan pointed to the complexity of the current situation in the Middle East.

“Syria, Libya, Iraq, the Palestinian-Israeli conflict have turned into an uncontrolled source of instability. The region is mired in an abyss of terrorism. Destructive elements are a direct threat not only to regional but also international security,” Nazarbayev said.

“Working in the interests of safety and for the benefit of all member states and their peoples is our common duty and task. We have a common desire to always be together and help each other. We intend to strengthen our cooperation,” President Xi Jinping said.

Another issue President Nazarbayev drew attention to is deepening cooperation with the observer states and dialogue partners of the SCO, suggesting to convert a mechanism of the na-

tional coordinators meeting with representatives of the Observer States to the Coordinating Council of the SCO. It is possible that next year India and Pakistan may change their current observer status into full participants.

At the summit in Dushanbe, the heads of state signed 10 documents, and updated the memorandum on the obligations for granting membership into the SCO and approved its procedures. The adoption of these documents provides an opportunity for a practical expansion of the organisation. Also, the parties signed the document on cooperation between SCO member states through 2025.

On the sidelines of the summit, an intergovernmental agreement on the creation of favourable conditions for international road transport was signed and the plan of joint events to mark the 70th anniversary of the end of World War II.

Concerning projects and initiatives that are being discontinued, President Nazarbayev noted that this problem exists due to the different priorities of individual national interests of member countries of the SCO, as well as a lack of financial resources needed for promotion.

Chinese President Xi Jinping announced the decision to provide the SCO member states credit assistance in the amount of \$5 billion for the implementation of joint projects. He noted the creation of a fund for Economic Cooperation called “China – Eurasia” and said that the fund’s initial capital amounts to \$1 billion but that it will be increased to \$5 billion in the future.

“In order to strengthen cooperation, China has decided to give SCO member states a loan of five billion dollars to finance joint projects,” Xi Jinping said.

## Kazakhstan Welcomes Resolution of Election Gridlock in Afghanistan

By Zhanara Abdulova

ASTANA – Kazakhstan welcomed the official announcement of the final results of the presidential election in Afghanistan by the country’s Independent Election Commission, according to which Ashraf Ghani Ahmadzai was elected president and Abdullah Abdullah named head of the country’s executive body.

**“We hope that the national unity government will use the mandate issued by the Afghan people to implement major reforms aimed at improving the well-being of Afghanistan’s citizens.”**

“The election marked the first peaceful transfer of power in the country and is an important step towards establishing an independent Afghanistan as a state developing in line with the principles of democracy,” Kazakhstan’s Ministry of Foreign Affairs said in a Sept. 22 statement.

“We share the international com-

munity’s appreciation of the decision of the Afghan people to move forward and build a stable state and society despite the political and economic difficulties,” the Foreign Ministry said.

“We appreciate the aspiration of the Afghan people to restore their statehood despite threats to the security of the country and to the lives of many Afghans,” the statement continued. “We hope that the national unity government will use the mandate issued by the Afghan people to implement major reforms aimed at improving the well-being of Afghanistan’s citizens, and that the president of the country will be the guarantor of the constitution for the benefit of all Afghans who stand for building peace and social progress.”

According to the statement, “The Republic of Kazakhstan has repeatedly reaffirmed its position, which reflects our support for a peaceful environment for a broad national dialogue for reconciliation, establishing a permanent negotiating process between different political forces and public organisations in Afghanistan.”

“Kazakhstan, as a neighbouring country and a responsible international partner, is interested in the development of Afghanistan as a friendly and steadily developing peaceful state, for the sake of cooperation and the prosperity of the entire region,” the statement concluded.

## Caspian Summit in Astrakhan Makes ‘Breakthrough’ on Road to Convention



The presidents of Azerbaijan, Iran, Kazakhstan, Turkmenistan and Iran, accompanied by foreign ministers and other top-level negotiators, made a major headway in their lengthy talks over the legal status of the Caspian Sea when they met on Sept. 29.

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According to the Kazakh President, the Caspian region is growing rapidly, and in light of its available energy resources and biological resources, the world is paying increasing attention to the area.

The Caspian Sea is a unique water area in terms of its biological and ecological resources, which includes more than 500 kinds of sea plants and 854 fish species, including the Caspian sturgeon, which accounts for 90 percent of the world stock of sturgeon fish.

The amount of Caspian hydrocarbon resources has been estimated at around 18 billion tonnes, with the proved reserves put at 4 billion tonnes. This brings the Caspian Sea to second place after the Persian Gulf in the rankings of the world’s biggest oil and gas reserves.

At the press conference on the results of the summit, Nazarbayev noted the special importance of the Caspian Sea for the five countries

and the constructiveness of the summit.

“Today’s summit has once again demonstrated the intention of the Caspian states to agree on all the tough questions. A number of important regional issues were discussed. We decided that the next such event will be held in Kazakhstan,” Nazarbayev said describing the results of the meeting as a “breakthrough.”

In, perhaps, the most important agreement reached, the five presidents announced in their statement that they agreed to specific principles on which they would base their activities on the sea including imposing the national sovereignty of each of the countries over the 15-mile areas off the respective coasts and the exclusive rights of each of the five parties to procure water biological resources in another 10-mile areas adjacent to the national sovereignty zones. They noted that, beyond those two zones which make up 25-mile zones, the sea will be

considered a common water zone. The presidents stressed, however, that the issue of determining specific methods to define the starting coast lines for calculations will be subject to further consultations. “I am confident that the results of the Astrakhan summit will give a new impetus to the process of adoption of the main document, the convention on the legal status of the Caspian Sea,” he added.

Nazarbayev also reported on a number of initiatives launched during the summit, including Turkmenistan’s proposal regarding the formation of a permanent Caspian Economic Forum, as well as Kazakhstan’s initiative on the creation of the Caspian Free Trade Area.

He stressed that the parties can lay the foundation for economic cooperation even before the settlement of the legal status of the Caspian Sea.

“Taking into account the current situation in the world market, there is a possibility to consider closer cooperation between our economies

and increase mutual trade,” Nazarbayev said.

“In my opinion, we had a very important negotiation for all our countries, which reinforced our belief that the Caspian Sea is a sea of peace and friendship,” the President of Kazakhstan said.

An agreement on the conservation and sustainable use of marine biological resources of the Caspian Sea was signed during the summit. It is expected that the parties will work to improve the living conditions of sturgeons in the Caspian Sea, develop natural and artificial reproduction of fish resources and combat illegal fishing. Nazarbayev said that the task of the Caspian countries is to protect the unique biological system of the Caspian Sea.

Following the talks, the heads of state adopted the Communiqué. An agreement on cooperation in the field of hydrometeorology of the Caspian Sea and an agreement on cooperation in the field of prevention and elimination of emergency situations in the Caspian Sea were also signed.

According to President Putin, the convention on the legal status of the Caspian Sea may be signed in the near future.

“I will not say that all questions are fully resolved, but their number has significantly decreased. The experts were tasked to intensify consultations on several remaining issues, so there is reason to believe that in the near future, we will come up to the signing of the convention,” he said.

At the conclusion of the summit, the five leaders took part in a ceremony of releasing sturgeon fingerlings into the Volga River.

# Nation&Capital

WEDNESDAY, OCTOBER 1, 2014

**CULTURE**

Astana Opera Singers Train with La Scala Instructors in Milan

B3

**CULTURE**

U.S. Energy Secretary Pays Tribute to Kazakhstan's Leadership in Nuclear Non-Proliferation

B5

**SPORTS**

Nadal and Tsonga Play in Astana

B7

## Almaty Hosts 10th Anniversary Eurasia Film Festival

By Bakhytbek Aduov

ALMATY – The Eurasia International Film Festival (IFF) is Kazakhstan's major event for cinema art and the most popular film festival in Central Asia. Celebrating its 10th anniversary, the festival, held Sept. 15-20, focused on the names of European and Asian movies and was a major and important event for all Eurasian cultural life.

The festival is the only Central Asian cinema event accredited by the International Federation of Film Producers Associations (IFFPA). The international film guide included Eurasia IFF on the world's 35 leading film festivals list, which is regarded as a great achievement.

"More than 180 films were filed to participate in the 10th Eurasia International Film Festival - a record number since the inception of the festival. Twelve movies were selected which were included in the final of the competition," stated Yermek Amanshayev, chairman of the Eurasia IFF Organising Committee and director of the Kazakh film studio, during the press conference.

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## Young Archeologists Uncover Ancient Finds

By Svetlana Abenova

EAST KAZAKHSTAN REGION – Unique archaeological findings of the early nomads epoch discovered in recent years in the Altai mountains have substantially raised the prestige of the archaeologist's profession in the eyes of East Kazakh students according to the growing number of participants in local expeditions.

This summer, 14 Amanzholov East Kazakhstan State University (EKSU) students participated in an archaeological expedition led by well-known scientist and doctor of historical sciences Zeinolla Samashev. Among those students was Sayat Shayakhmetov, who is studying to be an interpreter and who had been on two previous ex-

peditions, as well as law students. Many of the students say their decision to pursue archeology came after hearing Kazakh President Nursultan Nazarbayev in an interview with the Khabar TV in the foothills of Ulytau mountains in late August.

"Last year, one of the mounds near Berel village brought archaeologists some sensational discoveries," said Dastan Musaipov, a history student. "It was possible to detect artifacts that shed light on some issues of culturogenesis, the epoch of early nomads. For example, two musical instruments, similar to kobyz, were found, that until recently were not a characteristic for burials in the Valley of the Saka kings."

Continued on Page B2

## Al Hilal Bank Awaits New Legislation for Islamic Finance

By Yelden Sarybay

Almaty-based Al Hilal Islamic Bank may expand into neighbouring markets as legislation in the Central Asian countries changes.

Islamic finance is gaining popularity in the region, but Al Hilal is currently the only sharia-compliant lender in Kazakhstan.

The Abu Dhabi government wholly owns Al Hilal's parent company and according to its chief executive, Prasad Abraham, the bank is considering increasing its geographical presence 2015.

"Our medium-term strategy is to test the effectiveness of the Kazakhstan model and then use that

as a base for further expansion into other regions of the CIS (Commonwealth of Independent States) as appropriate," said Abraham. "An important precondition for any expansion is the existence of a proper legislative framework for Islamic finance in the respective countries."

Kazakhstan is currently reconsidering its financial legislation as the initial set of rules aimed at Islamic finance failed to spur much activity. Kazakhstan was the first former Soviet country to introduce Islamic finance rules in 2009. New legislation in favour of Islamic finance is also being developed in Azerbaijan, Kyrgyzstan and Tajik-

istan, which currently have secular regulatory regimes.

"Kazakhstan is a country new to Islamic finance. People still do not fully understand the mechanics of it, the advantages and the principle of work. And now, our most important task is to help people understand and accept all the details," said Abraham. "And part of our social responsibility, as well as one of my personal corporate goals, is to increase the awareness and status of Islamic finance. It has nothing to do with business."

New laws to be discussed in Kazakhstan's parliament would provide the bank with a clearer framework that could translate into better

commercial opportunities, Abraham said. He also mentioned that the clarity could help new banks such as Zaman Bank, a local bank that is working to convert itself into the country's second Islamic bank.

Al Hilal posted a 46 percent increase in assets in 2013 and is on target to see asset growth of 70 percent this year, which will continue throughout 2015. This is partly explained because of the still relatively-small size of the bank with financial statements showing 16.7 billion tenge (\$92 million).

Al Hilal currently works mainly with government and large corporate clients and will wait for legislation to be renewed before offering retail banking services.

Islamic banks in Kazakhstan are categorised on a par with other commercial banks, known as Tier 2 banks, but current law does not extend all the tax privileges to them that conventional banks have.

## New Institute Seeks to Develop Well-Rounded Kazakh Women

By Yelden Sarybay

ASTANA – Qazaq qyzy (Kazakh girl), the first women's institute of cultural and moral education, opened its doors on Sept. 18. The institute aims to provide behavioural education, teaching the best of Kazakh and European social and moral traditions so that its graduates can demonstrate Kazakhstan as a developed socio-economic and cultural country.

Vice-Speaker of Parliament Dariga Nazarbayeva, Astana Mayor Imangali Tasmagambetov, Mazhilis member Zagipa Baliyeva, Senator Byrganym Aitimova, Chairman of the National Commission for Women, Family and Demographic Policy under the President Makhabbat Bekbossynova and other officials attended the opening ceremony. The founders of the institute hope the project will promote Kazakh culture and revive cultural norms and princi-

ples, traditional customs and family traditions.

According to the project initiators, such institutions can help prevent many of the problems of society, such as orphans, abandoned seniors and excessive emancipation, as well as the detachment of young people from their roots.

"When we read in the news that young women abandon their children in the trash, it makes you wonder how this could happen to us because our traditions and our ways never imagined such a development of events," said Gauhar Myssaeva, the director of educational work of the institute. "I'm not saying to go all in with tradition and say that you need to do such and such and never otherwise, but there are those traditions that just need to be revived. A girl learns to understand the world through the beauty that she creates with her own hands."

Continued on Page B2

## Kazakh Tennis Players take 6th Gold at Asia Games, Defeat China



Mikhail Kukushkin (ATP ranking 86), Alexander Nedovesov (119) and Andrey Golubev (62) added another gold medal to the medal count for Kazakhstan at the 17th Asian Games in Incheon, South Korea on Sept. 24. In men's team final, the Kazakh national team defeated team China 2:0. First, Nedovesov beat Wu Di 6:4, 6:0. In the second match, Kukushkin defeated Ze Zhang 6:0, 3:6, 6:2.

### THINGS TO WATCH OCTOBER

**ASTANA OPERA**

- October 3 at 19:00 "The Rhine Gold" opera by Richard Wagner
- October 4 at 19:00 "Valkyrie" opera by Richard Wagner
- October 5 at 19:00 "Alem - Birth of Soul" ballet
- October 6 at 19:00 Vittorio Grigolo gala concert

**MAXIM GORKY THEATRE**

- October 5 at 11:00 "Thumbelina" tale

**BLACK DUCK RESTAURANT**

- October 7 at 20:00 Poetry reading

**CONGRESS HALL**

- October 10 at 19:30 "ANDALUCIA" Flamenko Theatre

NATION&CAPITAL  
**PEOPLE**

WEDNESDAY, OCTOBER 1, 2014

## Mereili Otbasy Competition Names Winners



By Rufiya Ospanova

ASTANA – President Nursultan Nazarbayev congratulated the winners and finalists of the Mereili Otbasy (Happy Family) national contest on Sept 19. The Bimakhambetovs from South Kazakhstan were named best family.

The Bimakhambetovs are a large family of eight children, 33 grandchildren and 15 great-grandchildren. The President presented the winners the keys to a domestically produced minibus. Nazarbayev noted that it was difficult to choose the winners. The rest of the 15 finalists of the contest got Niva cars. It is expected that the Mereili Otbasy competition will become an annual event.

In his speech, the President noted that Strategy 2050 entails the ambitious goal of making Kazakhstan one of the 30 most-developed countries in the world.

“In the middle of the 21st century, the most-developed countries will be those in which the vast majority of families live in peace and prosperity. These countries will raise children, give them quality education, take care of the older generation and lead healthy lifestyles,” Nazarbayev said.

The President instructed that a

plan to strengthen family relationships, moral and ethical values for 2015-2020 be developed.

He stressed that the main focus of this important effort should be the National Commission for Women, Family and Demographic Policy under the President, noting the need to strengthen its structure and increase its involvement in society.

In addition, Nazarbayev drew attention to the importance of developing the legislative framework for the protection of older people from discrimination based on age, as well as creating an enabling legal environment for citizens who adopt orphans.

In his speech, he also noted the importance of the planned development of infrastructure to support the family, motherhood and childhood and ensure a decent life for seniors.

“First of all, I propose creating a volunteer run ombudsman’s office for children’s rights. It is necessary to establish a single national database of orphans and children left without care. It is necessary to develop a network of institutions operating on the basis of public-private partnership, providing comprehensive assistance to young families, single mothers, children, the elderly people,” he said.

The President stressed the need to strengthen outreach efforts if-families and moral values that promote strong healthy families are to be strengthened. He noted the significance of the first Mereili Otbasy contest, which was participated in by families of 15 ethnic groups and 34 international families.

“Today, we gathered here to participate in the final stage of the First National Competition Mereili Otbasy. The competition has presented



President Nursultan Nazarbayev congratulates the winners and finalists of the Mereili Otbasy national contest.

us many beautiful life stories of great love and care for loved ones, the ability to overcome life’s difficulties, decent work and cherishing and honouring the family. The participants are Kazakhstan citizens of different professions – teachers, doctors, firefighters, athletes, police officers, scientists, farmers, energy, oil and railroad workers and cultural figures,” he said.

Nazarbayev congratulated the winners and wished Kazakhstan’s families health, prosperity and happiness.

The award ceremony ended with a festive concert put on by Kazakh singers.

A total of 1,298 families from all regions of Kazakhstan participated in the competition. In the final round, SMS and Internet voting narrowed that number down to 16 families.

The title of “Honoured Citizen of Almaty” was awarded to the most deserving residents of the city, who have made significant contributions to the development of their native city. Among them was the family of famous Kazakh mountain climber-

Maksut Zhumayev. Zhumayev and his wife Olga are alpinists and have two children. Their six-year-old son Issatay is a future hockey player and their four-year-old daughter Ailinis already showing great talent in dance.

“Being in front of the whole country on TV is a special feeling because of the responsibility you have in knowing that so many people depend on you. It’s not only personal, but for our family, for the future of Kazakhstan, for the youth of Kazakhstan,” Zhumayev said.

The annual Mereili Otbasy competition was approved by a December 2013 presidential decree on cultivating moral values and positive images of family and marriage and raising the status of the family.

The competition is held in three stages: the first stage is on the district (city) level, the second stage on the regional level and the third stage is on the national level. Applications for participation were submitted on a special form with the necessary documents to district (city) akimats (administrations) between April 1 and 30.

## New Institute Seeks to Develop Well-Rounded Kazakh Women

Continued from Page B1

Through this inner state she learns to love the world. And when it all comes from the heart, the girl changes completely. She becomes purer and higher and she thinks completely different thoughts that do not lead her to such actions. We raise our girls to love everything around them and this combination of the internal and external will give us what we call “Qazaq qyzy.”

“We now see that our Kazakh girls have some misunderstandings and we want to promote our culture and revive our traditions,” said Zarina Akhmetzhanova, director of public relations for Qazaq qyzy. “It is necessary to instill a love of work and love for their culture in our girls from an early age. Our mission is to promote Kazakh traditions and we want to create an image of the Kazakh girl. We are at the crossroads of Europe and Asia and a lady from Kazakhstan must combine all these qualities,” she added.

The institute will be enlisting girls from age 8 to 17. It will provide summer courses in June and July for older girls. The curriculum of the new education establishment will include etiquette, history of art, literature, public speaking, applied skills, drawing, floral design, music lessons and homemaking.

“Our goal is to bring up real Kazakh girls who are strong willed, rich in the wisdom of the Kazakh steppe, successful, educated, re-

finned, elegant, proud and feminine,” continued Myssaeva. “We teach general culture and harmonious overall development. Our modules are a testimony to this. For example, the ethics module includes such subjects as the contemporary moral and ethical world, Kazakh moral norms and principles, customs and traditions in the Kazakh family and philosophy of motherhood.”

According to Myssaeva, Qazaq qyzy is designed for 300 pupils. The girls will be able to come before or after their main schooling so it is an additional system of education to broaden their worldview. There will be several areas of focus, including creativity, music and secular direction. It will also provide activities outside the walls of the institute for horseback riding and golf. Tuition fees will be 50,000 tenge (US\$275) per month and will include six lessons per week, although pupils may take as many more supplementary classes as they would like.

The stakeholders of the Qazaq qyzy project note that their institute is aimed at implementing the Kazakhstan 2050 strategy, namely promoting an understanding of Kazakh culture and reviving moral norms and principles, customs and family traditions. The National Commission for Women, Family and Demographic Policy under the President, the Nur Otan Party, the city’s akimat (administration) and the Damu Entrepreneurship Development Fund support the project.

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# CULTURE

WEDNESDAY, OCTOBER 1, 2014

## Astana Opera Singers Train with La Scala Instructors in Milan

By Alina Usmanova

Leading Astana Opera soloists Zhupar Gabdullina and Dina Khamzina recently traveled to the legendary Theatre La Scala in Milan to train with renowned La Scala instructors and to learn more about opera.

From Sept. 22 to Sept. 26, the singers were rehearsing their roles as Aida and Amneris from John Verdi's opera "Aida," which will premiere at the Astana Opera in November.

The leading soloists will receive intensive training that will last for six hours per day.

Gabdullina noted that there are many components to the training programme.

"We strive to make each performance better than the last. They currently are imposing very tough requirements on singers, but we must not forget that there are lots of opportunities for singers to improve. In order to achieve the desired result, we are going to the homeland of opera to undergo training at La Scala, as many great singers have done," Gabdullina commented.

"Our theatre is world class and we need to reach the same level it has. Another thing that can develop our skills are our classes with the best teachers, conductors and directors. I very much

hope that this training will help me in my role as Aida, who is a very complex character. We will be working on nuances of the part, as well as text, tone rhythm and tempo moments. Since my childhood, I have dreamed of getting an internship at La Scala, so I can happily say that dream has come true," she said.

The opera singers said that training at the La Scala academy will mark a new stage in their creative and vocal careers.

"Sometimes I say to myself that I want to know my profession like I know that two times two equals four, but our field is not that cut and dry, there is always something new. I think that teachers will help us reveal ourselves and our inner potential through painstaking work. The atmosphere and the aura of the famous Milan theatre foster creativity and improvement," Khamzina said.

"The forge" of opera singers, La Scala Vocal School, was established in 1991. Today, the academy is a school that offers refresher courses for all disciplines related to theatrical arts.

In addition to training, the academy runs a professional advising centre and a special department for developing programmes of cultural cooperation and research programmes. The academy is a



La Scala Vocal School is a school that offers refresher courses for all disciplines related to theatrical arts.

private Italian organisation that has been operating for more than

10 years in developing research projects to improve teaching and

learning techniques based on projects that have been used in

conjunction with other international institutions.

## Malaysian Food and Culture Week Opens at Astana Marriott

By Michelle Witte

ASTANA – Malaysian Food and Culture week opened at the Aroma Restaurant in Astana's Marriott hotel on Sept. 23 and ran through Sept. 26, with entertainment, shopping and a changing menu of Malaysian dishes presented each night.

Included in the nightly events, which run from 7 p.m. to 11 p.m., is a Malaysian buffet prepared by visiting Chef Kamaruzzaman Hasan using ingredients flown just for the occasion. Dancers perform traditional – and occasionally audience-interactive – Malaysian dances and a tea master demonstrates the dramatic art of teh tarik, swinging sweet milk tea between metal pails.

Opening the event, Malaysian Ambassador to Kazakhstan Dato' Hidayat Abdul Hamid said: "We are pleased to note that last year about

20,000 Kazakh tourists went to Malaysia ... and we also hope that the number of travellers from Kazakhstan to Malaysia will increase, as well as the number from Malaysia to Kazakhstan. We are always ready to expand our good cooperation in all sectors, including tourism promotion and management, in all aspects of tourism, such as health tourism, adventure tourism, education, as well as Islamic tourism. We hope that we will enhance the good relations between Malaysia and Kazakhstan."

Executive Secretary of the Ministry for Investment and Development Beibut Atankulov, a former ambassador to Malaysia, officially cut the ribbon to open the event. Malaysia is a high priority country for Kazakhstan today, he told the assembled guests, and Kazakhstan aspires to its massive tourism success

of 26 million visitors per year. He praised the country's rapid development in technology, infrastructure and education in particular.

"I hope this week will allow you to comprehend the spirit of Malaysia through its food, as this is a unique, interesting and spicy country – you have to try it," he said.

Discussing his menu, Chef Hasan said he had toned down some of his Malaysian food's usual spiciness to appeal to Kazakh palates. "My favourite dish is roti canai [a type of flaky, moist flatbread]," he said. "It's something that, if you talk about Malaysia, this is what you mean. You eat it for breakfast every morning." All of Malaysia's many ethnic groups are united in eating roti canai, he said.

Ambassador Hamid said the week had been organised because "Food and culture – those are the characteristics ... for forging good relations and giving a good impression of your country, and I think there's a lot that we can share with other communities and other cultural traditions."

The food and culture week is a tease for those who don't know much about Malaysia, to attract them to learn more and perhaps come visit, he said. Kazakhs, he added, are very good tourists, spending a relatively long time in the country when they visit. Visitors from Kazakhstan make up the bulk of Central Asian tourism to Malaysia.

One of the tourism sectors they are most interested in promoting right now is medical tourism, the ambassador said. "[Visitors] can get very good treatment in Malaysia; there are very, very good hospitals." A special Malaysian Health Tourism Council now promotes medical tourism, and health screening is one of the council's main programmes – encouraging leisure tourists to take the opportunity for a general screening, with results delivered within a day, Hamid says.

"There's so much we can work on, not just with the Kazakh public but also with officials. We would like to have more collaboration, exchange of medical expertise and training in all fields, including tourism. We can learn from each other's experience and we can share with our friends."



## Almaty Hosts 10th Anniversary Eurasia Film Festival

Continued from Page B1

Among the films were "Still the Water" directed by Naomi Kawase (Japan, Ireland, France, Spain); "Memories on Stone" by Mehmet Aktas, Shawkat Amin Korki (Iraq, Germany); "A Hard Day" by Seoung-hoon Kim (South Korea); "Next To Her" by Asaf Korman (Israel); "Tangerines" by Zaza Urushadze (Estonia, Georgia); "Bota" by Iris Elezi and Thomas Logoreci (Albania, Italy); "Of Horses and Men" by Benedikt Erlingsson (Iceland, Germany, Norway); "The Star" by Anna Melikyan (Russia); "Party Girl" by Mari Amachoukeli, Claire Burger and Samuel Theis (France); "Cowboys" by Tomislav Mrsc (Croatia) and "Hush... Girls Don't Scream" by Pauran Derakhshandeh (Iran).

The largest city in Kazakhstan has traditionally held Eurasia IFF and is known in Central Asia as a cultural and educational centre. A large number of celebrities arrived in this city at the foothills of the Trans-Ili Alatau Mountains to take part in the festival.

South Korean actress Kang Soo-yeon, Chinese film director, producer and screenwriter Jia

Zhangke, South Korean film director Lee Chang-dong, top German filmmaker Andreas Dresen, Belarusian actress and director Olga Dyhovichnaya and the well-known Kazakh actor Asanali Ashimov were among the VIP guests.

During the opening ceremony, famous Russian writer and director Sergei Solovyov was awarded a special prize by Eurasia IFF for his contribution to cinematography.

Eurasia IFF had a number of non-competition programmes such as Shacken Aimanov's 100th Anniversary, Cinema Bridge: East-West, Short Films Night, 30 years of Kazakh New Wave, Korean Cinema Days and Dynamic Kazakh Cinema. Approximately 200 movies were shown.

The classic "Land of Fathers" by Aimanov, Kazakhstan's greatest film director, opened the film festival. This year, Eurasia IFF marked his birth in 1914 with a retrospective of his work.

Sergey Lazarev, director of the UNESCO Office in Almaty and UNESCO representative to Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, noted in his greeting to the participants and guests that UNESCO has included Aimanov's centenary in its official

calendar of memorial dates and events.

Beginning this year, the work of the festival was covered by EuroNews.

Reporting for the channel, correspondent Wolfgang Spindler said, "Besides the international competition and the Shacken Aimanov retrospective, the Eurasia Film Festival offers a rich overview of about 30 years of Kazakh film production."

In particular, the programme of Dynamic Kazakh Cinema had many interesting movies to watch, which included six films. For example, the film "Adventure" by Nariman Turebayev had been shown only once at a film festival in Karlovy Vary; consequently the screening in the context of Eurasia was called exclusive.

During the festival, thousands of Kazakh viewers enjoyed high-quality and interesting films. It is believed that this will make a great contribution to the Kazakh film-making industry.

The Eurasia IFF was organised by the Kazakh Ministry of Culture and Sport, UNESCO, Kazakhfilm Studios JSC and the Mayor's Office of Almaty.



# KAZAKHSTAN AT THE UN

WEDNESDAY, OCTOBER 1, 2014

## In New York, FM Idrissov Confirms Support for UN, Promotes Country's Candidacy for UN Security Council



Minister of Foreign Affairs of Kazakhstan Erlan Idrissov and UN Secretary-General Ban Ki-moon met at the United Nations headquarters in New York on Sept. 26, reaffirming mutual intentions to work together on issues of regional and global security and development.

By Altair Nurbekov

NEW YORK – Minister of Foreign Affairs of Kazakhstan Erlan Idrissov visited New York from Sept. 22-27 to pledge support for the United Nations, promote Kazakhstan's candidacy for the UN Security Council for 2017-2018 and advance bilateral ties with more than 50 countries in meetings held on the margins of the 69th session of the UN General Assembly.

In a meeting with UN Secretary-General Ban Ki-moon on Sept. 26, Idrissov reaffirmed Kazakhstan's interest in building up the UN presence in Central Asia and its willingness to provide necessary assistance, including through the planned establishment of a UN regional diplomacy hub in Almaty. Ban Ki-moon praised Kazakhstan's contribution to regional and global security and development.

Earlier in the week, during a Sept. 22 meeting with U.S. Secretary of State John Kerry, Idrissov outlined the prospects of his country's development under the Kazakhstan 2050 Strategy, stressing that the goal of the strategy is to join the 30 most developed countries by 2050. According to the foreign minister, the strategy provides great opportunities for mutually beneficial cooperation with the United States and other foreign partners. Both Idrissov and Kerry stressed the importance of an early conclusion of negotiations on Kazakhstan's accession to the World Trade Organisation (WTO).

Idrissov repeated Astana's strong support for a peaceful resolution to the Ukraine crisis in accordance with the agreements reached at the summit in Minsk last August. Kerry praised Kazakhstan's contribution to strengthening regional security, including helping to stabilise Afghanistan, as well as the country's

constructive and balanced foreign policy. He also confirmed the interest of the United States in further strengthening political and economic cooperation.

According to the U.S. State Department, "Secretary Kerry reiterated the strong U.S. support for Kazakhstan's sovereignty, territorial integrity and its increasing leadership on the world stage."

Idrissov also invited Kerry to visit Kazakhstan and invited American companies to participate in EXPO 2017 in Astana.

On the same day, Idrissov met with representatives of American companies, including Boeing, Sikorsky Aircraft, Citigroup and Chevron. They discussed strengthening cooperation and the prospects of doing business in Kazakhstan in light of new incentives for foreign investors announced this year. The business people welcomed the introduction of a visa-free regime for citizens of the U.S. and nine other countries and expressed a desire to expand their business in Kazakhstan, particularly in the non-primary sector.

The Kazakh minister held a series of bilateral meetings with his foreign colleagues, including Foreign Minister of Costa Rica Manuel Gonzalez Sanz and Foreign Minister of Algiers Ramtane Lamamra. During these meetings, the sides discussed the current situation and prospects of bilateral relations, ways to enhance cooperation within international organisations and topical international issues.

On Sept. 23, Idrissov participated in the UN Climate Summit 2014, where he explained Kazakhstan's position and efforts regarding global climate change. Idrissov emphasised that climate change is an international threat. "That is why mitigation and adaptation to climate change should not be limited to the needs of one country or region, but

should cover the entire international community," he stressed. He briefed summit participants on policies and measures undertaken in Kazakhstan. "Growth of the green economy [and] efficiency of the renewable energy sector have a paramount priority on the path toward achieving the goal of joining the 30 most developed countries. Undoubtedly, Kazakhstan is one of the largest producers of traditional energy sources, but we strive to reduce the energy intensity of our gross domestic product and carbon emissions in the energy sector. To date, we have adopted laws and regulations that form the legal basis for the conduct of such policies and measures that will achieve our ambitious targets for the green economy," Idrissov said.

The Kazakh foreign minister held talks with the Secretary-General of the Organisation of Islamic Cooperation (OIC) Iyad bin Amin Madani, during which cooperation between Kazakhstan and the OIC was discussed, including the further institutionalisation of the Islamic Organisation for Food Security (IOFS) in Astana, created under the initiative of Kazakh President Nursultan Nazarbayev in December 2013.

On Sept. 24, the Kazakh delegation participated in the opening of political debates of the 69th session of the UN General Assembly, which included remarks by Ban Ki-moon, Brazilian President Dilma Rousseff, U.S. President Barack Obama and others.

The delegation also participated in a UN Security Council meeting chaired by the United States, titled, "Threats to international peace and security caused by terrorist acts." Kazakhstan was among the co-sponsors of the council's unanimously adopted resolution introducing tough measures against participants in extremist organisations.



Erlan Idrissov and John Kerry met in New York on Sept. 22 to discuss key issues on bilateral and multilateral agendas, including the situation in Ukraine and Afghanistan.

On the same day, Idrissov met Organisation for Security and Co-operation in Europe (OSCE) Secretary-General Lamberto Zannier, as well as the foreign ministers of Lesotho, Moldova, Niger, Sudan and Uruguay. The parties discussed cooperation and collaboration within international organisations and Kazakhstan's bid for non-permanent membership in the UN Security Council for 2017-2018, and exchanged opinions on international issues.

Idrissov also participated in a number of events organised within the framework of the UN General Assembly, where he talked briefly with Japanese Prime Minister Shinzō Abe, King of Spain Philip VI, President of the European Council Herman Van Rompuy, High Representative of the Union for Foreign Affairs and Security Policy Catherine Ashton and her successor, current Italian Foreign Minister Federica Mogherini. He also met with the newly appointed UN High Commissioner for Human Rights Zeid Al-Hussein and President of the International Committee of the Red Cross Peter Maurer.

He also conducted an unofficial meeting with foreign ministers of the G7+, which groups 20 conflict-affected or post-conflict states in Africa, Asia and Latin America. Idrissov briefed his counterparts on Kazakhstan's road of political stability, dynamic development and establishing itself as a trustworthy partner of the international community, underlining Kazakhstan's contribution to global security through energy, ecology and nuclear non-proliferation policies, the rehabilitation of Afghanistan and participation in peacekeeping missions, as well as the country's great potential for supporting food security activities.

"Kazakhstan has been a contribu-

tor to the economic rehabilitation of Afghanistan. In keeping with the commitments made at the Chicago NATO Summit, we have allocated \$2.38 million for the construction of social infrastructure in Afghanistan and provided humanitarian food supplies worth more than \$17 million. We have also delivered a \$50 million educational programme for Afghan students, which has allowed around 1,000 Afghans to study and gain a profession in some of Kazakhstan's leading educational institutions. The first wave of Afghan students we hope will soon be playing their part in the reconstruction of Afghanistan," Idrissov said.

The G7+ ministers positively assessed Kazakhstan's bid for a non-permanent seat on the UN Security Council.

Separately, Idrissov met with the foreign ministers of Afghanistan, Angola, Burundi, Comoros, Nepal and the Czech Republic. The parties discussed cooperation and collaboration within international organisations.

With the foreign ministers of South Korea, Antigua and Barbuda, Austria, Haiti, Guatemala, Mauritania, Serbia and Jamaica, Idrissov discussed bilateral issues of partnership and cooperation in the framework of international organisations. The Kazakh foreign minister also held substantive talks with Secretary-General of the Council of Europe Thorbjørn Jagland, UNESCO Director General Irina Bokova and UN Deputy Secretary-General Gyan Chandra Acharya, discussing expanding cooperation and the implementation of specific projects in their areas.

On Sept. 26, Idrissov took part in the informal meeting of the UN General Assembly devoted to the International Day for the Total Elimination of Nuclear Weapons.

"The problem of nuclear disarmament is one of the top priorities on the agenda of foreign policy initiatives of our country. In 2009, at the UN General Assembly, on the initiative of President Nazarbayev, Aug. 29 was established as the International Day Against Nuclear Tests. Kazakhstan sees good opportunities for synergies and joint efforts of governments and the international community within the framework of these two dates," he noted in his speech.

Idrissov also participated in the ministerial discussion, "The Ukraine Crisis, the OSCE and the Future of European Security," chaired by President of the Swiss Confederation and OSCE Chairperson-in-Office Didier Burkhalter. During the gathering Idrissov expressed his concern about the numerous civilian victims of the crisis in Ukraine and mutual sanctions by the West and Russia. He noted that Kazakhstan supports peace initiatives aimed at the speedy de-escalation of the conflict, including the Minsk peace agreements.

During the trip, Idrissov also addressed gatherings of the foreign ministers of the UN regional group for African states and the member states of the Caribbean Community (CARICOM), briefing both on the Kazakhstan 2050 Strategy, Kazakhstan's Concept of Foreign Policy for 2014-2020 and on Kazakhstan's plans to increase its representation in their regions. Foreign ministers from Senegal, Gambia, Togo, South Sudan, Mauritius, Namibia, Ivory Coast and Lesotho, among others, attended the gathering of African states. Addressing CARICOM, Idrissov highlighted Kazakhstan and the CARICOM states' shared positions on many issues, in particular the transition to green economy. Idrissov invited his colleagues to participate in EXPO 2017.

## U.S. Energy Secretary Pays Tribute to Kazakhstan's Leadership in Nuclear Non-Proliferation

Continued from Page A1

This collaboration, achieved with the support of many international partners, has helped eliminate or remove Kazakhstan's nuclear stockpile of more than 1,400 nuclear warheads inherited after the dissolution of the Soviet Union and has led to the removal of hundreds of additional missiles and bombers.

Moniz praised Kazakhstan as one of the United States' "strongest partners in nuclear nonproliferation."

Indeed, Kazakhstan-U.S. collaborations have resulted in major accomplishments, such as Project Sapphire, under which 600 kilograms of highly-enriched uranium was removed from Kazakhstan, and the safe shutdown of Kazakhstan's plutonium production reactor at Aktau.

Kazakhstan's government agencies are currently working with the U.S. Department of Energy to minimise the use of highly-enriched uranium

in civilian applications, cooperating to establish a nuclear security training centre and conducting ongoing work to enhance Kazakhstan's ability to prevent illicit trafficking in nuclear and radiological materials.

Moniz also noted that Kazakhstan had been the driving force behind the annual UN International Day Against Nuclear Tests held on Aug. 29. "Moreover, Kazakhstan helped lead the effort to create the Central Asia Nuclear Weapon Free Zone ... and the United States was pleased to join with the other NPT nuclear weapons states and sign the protocol to the treaty this past May in New York," he added.

In tune with the initiative put forward by Nazarbayev in 2010 at the Nuclear Security Summit held in the city and urging the adoption of a "Universal Declaration of a Nuclear Weapons Free World," Moniz highlighted Obama's strong commitment to reduce and eliminate nuclear weap-

ons, including through ratification of the CTBT. He stressed that the United States "looks forward to continuing to partner with Kazakhstan to strengthen nuclear security around the world and pursue our shared vision for a world without nuclear weapons."

Other U.S. speakers at the conference included Rose Gottemoeller, Under Secretary of State for Arms Control, Lieutenant General Frank G. Klotz, USAF (Ret), Under Secretary of Energy for Nuclear Security and NNSA Administrator, and Andrew C. Weber, Assistant Secretary of Defense for Nuclear, Chemical and Biological Defense Programmes.

In the early 1990s, Weber was personally involved in the above mentioned secret project while serving as a diplomat at the U.S. embassy in Almaty. He praised Nazarbayev's decision to "seek prosperity and security by eliminating the nuclear arsenal."

Weber spoke extensively about "the incredible success" of the Dege-

len Mountain Project, which was announced at the 2012 Nuclear Security Summit as a trilateral effort among Kazakhstan, Russia and the United States to secure vulnerable nuclear material at the former Semipalatinsk test site.

When asked to rate the U.S.-Kazakhstan partnership on a scale of 1 to 10, the Pentagon's top weapons of mass destruction expert gave it the highest grade. But he added that Kazakhstan's leadership is more important than an evaluation by the U.S. government. "From Kazakhstan's side, it hasn't been simply words but actions and results, from Project Sapphire and the Degelen Mountain to the closure of an anthrax factory in Stepnogorsk," he added.

It is very compelling, said Weber, "when Nazarbayev cites his own country's experience backed by actions, leadership and moral authority" as an example for countries like Iran. "He (Nazarbayev) has truly made

Kazakhstan more secure and safer," Weber said.

The conference also heard Dr. Lassina Zerbo, who heads the Preparatory Commission for the Comprehensive Nuclear Test Ban Treaty Organisation (CTBTO). In his address, Zerbo praised the Kazakh government for putting together this important conference on U.S. soil. He warned the audience of "treaty fatigue" and explained that "we cannot sustain having the treaty not in force." He emphasised the importance of the engagement of the countries, including Kazakhstan and the United States, which have been instrumental in supporting the establishment of the treaty's verification system.

Kazakhstan, in particular, has been a firm supporter of CTBT. It was among the first countries to sign the treaty in 1996 and five international monitoring stations – part of the world-wide global alarm system to detect nuclear explosions – are located on Kazakh territory.

The conference also featured a short documentary about the horrific consequences for the Kazakh people produced by The ATOM Project, an international initiative launched by Nazarbayev to build global support for a permanent end to nuclear weapons testing and the total abolition of

nuclear weapons. Seeking to galvanise global opinion on the need to do away with nuclear weapons, it urges people around the globe to sign the petition today to stop nuclear weapons testing.

An emotional but powerful presentation on the human and environmental costs of nuclear testing in Semipalatinsk was given by Togzhan Kassenova, nuclear expert at the Carnegie Endowment for International Peace Nuclear Policy Programme. Speaking to journalists after the event, Kassenova, a native of Kazakhstan, said nuclear testing at the Semipalatinsk nuclear test site is "a raw subject" for her as a scholar, stressing that the nuclear testing tragedy remains an open wound for her country.

The conference was organised by the Kazakh embassy in co-sponsorship with Green Cross International, the Arms Control Association, The ATOM Project and the Canadian embassy in the United States. It gathered some 200 arms control experts and nuclear scientists who praised the organisers for pursuing the cause of raising awareness of the long-term dangers of nuclear testing, including at former nuclear test sites such as Semipalatinsk, and promoting a permanent end to all nuclear testing.

# KAZAKHSTAN AT THE UN

WEDNESDAY, OCTOBER 1, 2014

## At UN, Kazakh FM Warns Against Rising Tensions, 'Right of Power,' Urges Attention to G-Global

By Altair Nurbekov

NEW YORK – Minister of Foreign Affairs of Kazakhstan Erlan Idrissov addressed the plenary session of the 69th UN General Assembly in New York on Sept. 26 in a speech that warned against rising tensions, double standards and rivalries over "perceived spheres of influence." He called for increased engagement with Central Asia, praised the rise of a new, multipolar world order and promoted Kazakhstan's candidacy for a non-permanent membership of the UN Security Council for 2017-2018.

There is a crisis in the global economy and in the application of international law, Idrissov began, deploring what he called "a lack of vision for our world's future." Countries don't fully recognise their responsibility for their neighbourhoods and the world as a whole as well as themselves, he said.

"Rivalry between the major powers over perceived spheres of influence, markets and control over the production and transit of energy resources has increased. Tensions are on the rise, and the dangerous – and unacceptable – belief in the 'right of power' in world politics has strengthened. As a result, we are witnessing a renewed arms race and the use of military force to impose and extend one's influence," Idrissov said. Instead of solutions, we are witnessing the escalation of problems, ex-



acerbated by double standards and unilateral actions, he continued. He criticised today's "confusing media space," where "it is impossible to distinguish lies from truth."

Concurrent with global crises, however, Idrissov also identified a developing new order, in which "no country has exceptional rights or advantages." "We are seeing a fundamental change in the structure of geopolitical, geo-economic and transnational relations. What is emerging is a polycentric system of international transactions. Within this framework, nobody has the right to determine global and regional processes unilaterally," he said.

To help adjust to the new order, he called on the UN to use President of Kazakhstan Nursultan Nazarbayev's G-Global initiative of 2012. "[G-Global] seeks solutions based on five principles – a strong preference

for evolutionary rather than revolutionary policy change; the crucial importance of justice, equality and consensus; the promotion of global tolerance and trust; the need for global transparency; and finally, the encouragement of constructive multilateralism."

Difficult times call for collective decision-making, he said. "Unfortunately, the decisions taken in the wake of the global financial crisis by G20 and G8 have proved to be insufficient because they were not all-inclusive in their elaboration." Kazakhstan, therefore, encourages UN member states to use G-Global dialogue to help draw up more inclusive plans, he said. "We have already embarked on this process through the Astana Economic Forum, which resulted in a draft Anti-Crisis Plan offered to the UN." The plan should be given serious consideration, he said.

Turning to the region, Idrissov said he supported China's initiative, which is currently chairing the Conference on Interaction and Confidence Building Measures in Asia (CICA), "for a new Asia security concept based on the principles of common, comprehensive, cooperative and sustainable regional security." CICA, an initiative first proposed by President Nazarbayev in 1992, could itself be transformed into an Organisation for Security and Development in Asia, he said, which would strengthen Asia's regional security architecture.

The foreign minister noted Kazakhstan's co-sponsorship of the Security Council Resolution on Foreign Terrorist Fighters, saying Kazakhstan believes in a comprehensive approach to the fight against terrorism. "It is an approach which must be built on greater regional and global cooperation with the active participation of all UN member states in accordance with the United Nations Charter and international law." He mentioned Kazakhstan's efforts toward ethnic and religious harmony, including the Congress of Leaders of World and Traditional Religions held every three years in Astana.

Praising the resolution to Afghanistan's presidential election, Idrissov said, "Economic development will be key to Afghanistan's re-emergence as a peaceful and prosperous nation and good neighbour in Central Asia." Kazakhstan supports increased Afghan integration into trade, energy and transportation links, he said.

But regional problems, including border conflicts and water and energy problems, will not be solved without outside engagement, he said. "There is little sign, regrettably, that these problems will disappear in the near future. That is why the UN and the international community must work in Central Asia more purposefully." He called for the establishment of the United Nations Regional Diplomacy Hub in Astana, which he said would complement the work of the UN Centre for Preventive Diplo-

macy in Ashgabat. "The presence of these two regional UN bodies would cover a very broad range of challenges faced by countries in this vast region, including Afghanistan."

"Most importantly, we believe a stronger UN presence in Astana would allow the UN to better support Central Asia and wider Eurasia at a critical time in its history, 'filling in' the geographical gap between UN offices in Istanbul and Southeast Asia," he said.

Idrissov also noted Kazakhstan's efforts toward nuclear non-proliferation, including the Treaty on a Nuclear-Weapon-Free Zone in Central Asia (CANWFZ) or Semipalatinsk Treaty, the protocol of which was signed in May in what he called "a major moment for nuclear security in our region." He encouraged the U.K., the U.S., France, Russia and China to ratify the protocol as soon as possible.

Idrissov also urged stakeholders to uphold the provisions of the Treaty on the Non-Proliferation of Nuclear Weapons and to work toward the entry into force of the Comprehensive Nuclear-Test-Ban Treaty (CTBT), a goal which is pursued by another of Kazakhstan's international advocacy campaigns, The ATOM Project. He called on member states to adopt the Universal Declaration on the Achievement of a Nuclear-Weapon-Free World and reiterated Kazakhstan's commitment to the equal right of nations to nuclear technology and its readiness to host the International

Bank of Low-Enriched Uranium under the auspices of the International Atomic Energy Agency.

Regarding climate change and the Climate Change Summit, Idrissov said, "We are eager, as a country, to continue playing our role in tackling the threat of climate change." The country is working hard on a plan to transition to a green economy, he said, and has recently adopted voluntary commitments to reducing greenhouse gas emissions under the United Nations Framework Convention on Climate Change and begun operating a national system for greenhouse gas emissions trading. Kazakhstan will provide support to 60 developing countries to take part in EXPO 2017, with its theme of "Future Energy," Idrissov said, and is supporting a number of green initiatives internationally.

Idrissov closed by promoting Kazakhstan's candidacy for a non-permanent seat on the UN Security Council for 2017-2018. "Our extensive engagement in international affairs, including chairing key regional organisations ... has given us relevant experience to bring to this important role," he said.

"We support the principle of fair and equitable geographical rotation and adequate representation of all member states of the Asia-Pacific Regional Group on the Security Council. It is clear that the vast Central Asian region will remain strategically and vitally important on the global agenda. We believe the priorities and challenges of this region should be represented in the Security Council and Kazakhstan is ready to play this role."

Michelle Witte contributed to this report from Astana.

## Kazakh FM Urges Replacing 'Great Game' Philosophy with 'Great Gain' Philosophy

By Altair Nurbekov

NEW YORK – Kazakh Foreign Minister Erlan Idrissov said his country is adamant to work with other partners in Central Asia and beyond to turn one of the region's greatest challenges, its "land-lockedness", into one of its greatest advantages, "land-linkedness", through the restoration and expansion of trade, energy and transportation links along the ancient Silk Road under a new Great Gain philosophy.

Idrissov spoke about Kazakhstan's efforts on promoting regional connections through infrastructure, aid and trade at the "Expanding Economic Connectivity in Greater Central Asia" event at the Asia Society in New York on Sept. 23, an event that included U.S. Deputy Secretary of State William J. Burns as well as other representatives from Central Asia. The audience included experts on the region, business people, diplomats as well as New Yorkers generally interested in Asia.

As a matter of principle, Idrissov said, Kazakhstan stands for the mutually beneficial economic cooperation between the regional countries and outside players.

"In fact, we believe it is high time to replace the old philosophy of the Great Game of the past with the new philosophy of the Great Gain for all," the foreign minister said, drawing nods of approval from the audience and an almost audible sigh of appreciation of the beauty of the phrase and the ideology it reflects.

"Our view on today's subject is clear," Idrissov said. "We support the idea of the revival of the Great Silk Road as a historical basis for cooperation among Asian countries."

Central Asia is one of the least integrated regions in the world, he said, and to prosper, neighbours both need to build bridges and act as bridges. Kazakhstan, under its new political and economic course, the Kazakhstan 2050 Strategy, is building highways, railroads, pipelines, logistics centres, terminals, airports, train stations and ports, as well as reaching out to its neighbours with assistance

and creating its own international aid body.

Overland, the Silk Road is being revived with the \$6 billion Western Europe-Western China transit corridor, which Idrissov said would be fully completed by 2015 and will allow goods to travel from China to Europe in only 10 days. In addition, "We are also expanding our internal network of motor roads connecting cities and regions never previously connected to each other," he said.

Rail links are also being opened: to the Middle East and the Persian Gulf via the newly opened Uzen-Turkmenistan border railroad and to China and the East with the Korgas-Zhetysay railroad, he said. Last month, the new Zhezkazgan-Shalkar-Beineu and the Arkalyk-Shubarkol rail links, with a total length of more than 1,200 kilometres, 17 major stations and 31 junctions, were commissioned. "These new railroads will be a shorter route to get from the East to the Caspian and further to the Caucasus and Europe, while making it possible to move eastward all the way to the Lianyungang port on the Chinese Pacific coast," he said.

These projects and others "will open up additional markets for our goods, boosting economic growth, creating opportunities and pockets of prosperity along highways, railways, pipelines and other lines of communications," he added.

The New Silk Road is also about links between peoples, Idrissov said. "I think human interaction is much more powerful and enabling in the age of globalisation, instant messaging and smart devices." He noted that Kazakhstan provides humanitarian and technical assistance to Afghanistan, including a \$50 million programme to give scholarships to 1,000 Afghans to train them at the best Kazakh universities, as well as supplying food and financing infrastructural projects. Kazakhstan is also committed to supporting Afghan National Security Forces (ANSF) from 2015, he said.

"Today, we are establishing the Kazakhstan Agency for International Development, with a focus on

Afghanistan and Central Asia." The agency's geographical focus might expand over time, he added.

Idrissov called the planned gradual reduction of troops in Afghanistan throughout 2015, which would see a small troop presence maintained in the country at the end of 2016, "responsible." "At the same time, military withdrawal should be compensated by the increase of international assistance to Afghanistan to give the Afghan people a chance to build their future on their own, with the support of the international community," he said. Concluding, he said, he would encourage "the United States and the global community to remain involved in our region by engaging our nations in trade, investment, scientific and cultural cooperation." In his comments at the event, U.S. Deputy Secretary of State William J. Burns called Central Asia a region critical to global security and full of economic and human potential.

"Whether you call it the New Silk Road or the Silk Road Economic Belt, now is the moment to work together to restore this region to its historic role as a vital hub of global commerce, ideas and culture," he said. "Our shared objectives are not to supplant the region's vibrant East-West connections, but to supplement and complement them with equally vibrant North-South connections."

To support integration, the U.S. would continue to support Central Asian efforts toward what he called key objectives: building a regional energy market, facilitating trade and transport, easing customs and border proceedings and promoting people-to-people ties.

U.S. Assistant Secretary for South and Central Asian Affairs Nisha Biswal, Foreign Secretary of Pakistan Aizaz Chaudhry, Ambassador of Kyrgyzstan to the U.S. Muktar Djumaliyev, Ambassador of Tajikistan to the U.S. Farhod Salim and Asia Society President Josette Sheeran also spoke at the event, which was organised in conjunction with the United Nations General Assembly.

Michelle Witte contributed to this report from Astana.

## Kazakhstan Urges Peaceful Settlement to Ukraine Conflict

Continued from Page A1

"In the Astana OSCE Summit Declaration, OSCE participating states agreed that 'the security of each participating state is inseparably linked to the security of all other member states,' and endorsed a common vision of a comprehensive, collaborative and

indivisible security community across the OSCE area," Idrissov stressed. "We must not allow the Ukrainian crisis to create new, insurmountable dividing lines, nor to irreparably undermine our long-standing efforts to build a sustainable security environment in Europe and Eurasia. We should cast aside our frustration, mistrust and

suspicion and let wisdom, vision and common sense prevail."

He said the OSCE, founded originally at the height of the Cold War in Helsinki in 1975, has an important role to play in de-escalating events in Ukraine and it "should live up to the high hopes we all hold for the Helsinki spirit."

**KAZAKHSTAN**  
UNITED FOR GLOBAL SECURITY

The Republic of Kazakhstan is seeking a seat on the United Nations Security Council as a non-permanent member for 2017-2018. Our priorities within the United Nations reflect four primary issues facing the world today: Food Security, Water Security, Energy Security and Nuclear Security.

In the 22 years since our independence, Kazakhstan has worked tirelessly to address these issues in our own country and beyond. Among many other initiatives and achievements, Kazakhstan is currently:

- ▶ ONE OF THE WORLD'S LARGEST GRAIN PRODUCERS AND WHEAT EXPORTERS. WE HAVE DISTRIBUTED WHEAT AND FOOD TO NATIONS IN NEED.
- ▶ A CONSTRUCTIVE INNOVATOR IN WATER SECURITY COOPERATION AND TECHNOLOGIES. WE HAVE MADE GREAT STRIDES IN THE RESTORATION OF THE ARAL SEA.
- ▶ AN ACTIVE SUPPORTER OF DEVELOPING A GREEN ECONOMY AND ALTERNATIVE ENERGY SOURCES THROUGH OUR GREEN BRIDGE INITIATIVE AND AS HOSTS OF EXPO 2017, THEME OF WHICH IS "FUTURE ENERGY."
- ▶ A GLOBAL LEADER IN NUCLEAR NONPROLIFERATION, DISARMAMENT AND SECURITY. AN INITIATOR OF ADOPTING A UNITED NATIONS DECLARATION ON A NUCLEAR-WEAPON-FREE WORLD AND A SPONSOR OF THE ATOM PROJECT. A WORLDWIDE PETITION CAMPAIGN TO PERMANENTLY END NUCLEAR WEAPONS TESTING.

These issues are complex and interdependent. They require global cooperation and relationship building. Kazakhstan has come a long way in a short time because we know that cooperation is the key to success. We are dedicated to knowledge and resource sharing in order to help make the world a better, more secure place for its citizens.

The achievement and maintenance of international peace and global security are paramount to the success of the planet and its people. In Kazakhstan, we are ready to do our part to ensure that success as a non-permanent member of the United Nations Security Council.

# TOURISM

WEDNESDAY, OCTOBER 1, 2014

## Young Archeologists Uncover Ancient Finds



Continued from Page B1

According to Musaipov, they managed to find a lot of interesting pieces of jewelry in the famous Scythian-Siberian style. The archeologists' findings seemed to indicate that the ancient masters never made two identical things.

Last summer, at the excavation in Berel, and in the current archaeological season, which took place at the junction of the Altai and Tarbagatai mountains along the Kara-Kaba River, the burials of noble warriors were found, which are similar in the presence of the skull trepanation of a perfectly rounded shape with a diameter of four and six centimetres. The presence of the crust that covered the hole, according to experts, suggests that people lived a long time with it. One of the hypotheses is that the trepanation was made not for medical but for religious purposes. For example, they may have been made for ancient religious rites that always involved communication with Tengri – a bright deity personifying the sky for Turks.

According to Samashev, the musical instrument found this summer that was like the two that had been

discovered in the past two archaeological seasons is a major finding.

Meanwhile, on the other side of the Altai, on the neighbouring Russian territory, a flute and even a lute were found while a musical instrument was found in the cemetery of Kara-Kaba that is similar to the Uzbek dutar. A full description will come after a scientific examination.

One can understand the delight of the students who carefully cleared all these valuable finds by means of special brushes. At such moments, several days of routine preparatory work are forgotten.

“We had to wrap each found fragment with tissue paper and to moisturise it several times a day. Without these mandatory manipulations, the artifacts in a few hours would have dried up and turned into dust,” said senior high school teacher Kuralai Zhirendinova.

However, according to the students, the most difficult thing was to carry out a recess. It is necessary to be very cautious and careful in the process of extracting findings from the mounds. Together with the dirt, the artifact is carefully wrapped up in a multi-layer package of foam and

sponge, and only then is it placed in a separate box.

In the burial at Kara-Kaba, archeologists found a complete set of military paraphernalia – a wooden bow with bony plates, a helmet, a large quiver, an arrow, a sword, a whip, and even horse harness. The iron sword placed in a birch bark cover deserves separate mentioning.

The latter, according to archeologists, was discovered there for the first time, although the sword belonging to the period of Kimak Khanate is not that rare a find. The fact that it was stored in a birch bark cover is a revelation in itself. And, last summer, archeologists unearthed a sword, the hilt of which was covered by ray skin.

Another burial belonging to a bone carver was also found on the territory of Kazakhstan for the first time recently. The site yielded animal horns, hammer-like tools and a pickaxe.

“Almost all of the finds are very well preserved. It is not surprising because the ancient inhabitants many centuries ago occupying the territory of the East Kazakhstan region possessed unique skills in construction, and in burials for two millennia the effect of permafrost was sustained,” Shayakhmetov said.

## Flydubai Launches Services to Almaty, Shymkent



By Yelden Sarybay

Flydubai's inaugural flight from Dubai into Almaty landed on Sept. 16 at the Almaty International Airport and the low-cost carrier's arrival was greeted by a traditional water cannon salute.

“The start of Flydubai's direct flights from Dubai to Almaty and Shymkent provide a convenient link between these economic hubs in the Middle East and Central Asia. It marks a milestone in relations between our countries and sees the expansion of Flydubai's network in the region to five countries,” said Flydubai Chief Executive Officer Ghaith Al Ghaith.

Flights from Dubai will run four times per week to Almaty and twice a week to Shymkent. Kazakhstan's

Air Astana also resumed flights from Almaty to Dubai on Sept. 1 after a four-year hiatus.

The new connections are expected to open up new opportunities for business development, tourism and trade. Kazakhstan and the United Arab Emirates have seen growth in various industries, including oil, Islamic finance and construction.

The four-hour direct flight from Dubai to Almaty will provide easier tourism access to Kazakhstan's attractions, which include natural landscapes, nature reserves, rugged snow-capped mountains and ancient cities. The Almaty region also offers skiing, hiking, mountain climbing and sightseeing.

“We are pleased to increase capacity between Dubai and Kazakh-

stan. Business class will be available on our flights to Almaty and Shymkent, providing passengers with a more personal and comfortable travel experience. In addition, our inflight entertainment system, with over 1,000 hours of entertainment, is available in English, Arabic and Russian,” said Flydubai Senior Vice President for Commercial Operations Jeyhun Efendi.

Almaty Akim (Mayor) Akhmetzhan Yesimov, Deputy Foreign Minister Askar Mussinov, Ambassador Extraordinary and Plenipotentiary of the United Arab Emirates in the Republic of Kazakhstan Suhail Matar Al-Ketbi, Consul General of the Republic of Kazakhstan in Dubai Askar Shokybaev and other officials were on hand to greet the flight.

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## SPORTS

WEDNESDAY, OCTOBER 1, 2014

## Tenth Kazakhstan Open Held at Zhailau Golf Resort

By Yelden Sarybay

The 10th international Kazakhstan Open was held Sept. 18-22 at the Zhailau Golf Resort. The jubilee competition is one stage of the European Challenge Tour.

At the opening press conference, Almaty Akim (Mayor) Akhmetzhan Yesimov congratulated all those present on the upcoming celebrations for the day of the city. He added, "I am very pleased that the European golf tournament is held on these days. Ten years ago, at the initiative of the President of Kazakhstan, Nursultan Nazarbayev, we held the first tournament and here we are celebrating a good anniversary."

General Secretary of the Kazakhstan Golf Federation Konstantin Lifanov announced that the tournament's purse is \$574,566. "This is a record prize fund for our competition and the highest bracket for the European Challenge Tour. One hundred thirty-two participants will be on the golf course and after two qualifying rounds, 65 golfers will remain in the main competition. The decisive matches



will be held on Saturday and Sunday," he said.

Bakhtiar Agabeyov, director of the golf resort, welcomed all the journalists to the site, stating, "I have no doubt that you, having worked creatively on the Kazakhstan Open, will be able to

convey to the readers and viewers the sharp twists and turns of our competition and the beauty of the courses. It will promote and popularise the sport in Kazakhstan and help its further advancement."

This year's Challenge Tour has a record number of championship

names who have returned to Kazakhstan, including Kazakhstan Open winners Mark Pilkington (2006), Gary Lockerbie (2008), Alvaro Velasco (2010) and Scott Henry (2012).

The winner of the tournament at 13 under par was Englishman Sam Hutsby. His compatriot, Andrew Johnston, who ranks second on the Challenge Tour, took advantage of great weather on Saturday and had a magnificent round, jumping from 32nd place after two rounds to second place at nine under par.

Over the years the Kazakhstan Open has become one of the top tournaments on the European Challenge Tour and a real birthplace of stars of the golf world. Agabeyov added that, "It is no exaggeration to say that the Kazakhstan Open is considered as one of the trademarks of our country."

Last year's tournament was held at the Nurtau Golf Resort. Both courses meet international standards. Another will soon open in the Talgar area. With two courses in the city, as well as those in Kostanai and Saryagash, Kazakhstan is home to eight professional golf courses.

## Kazakh National Team Wins First Trap Shooting Gold at 17th Asia Games

By Dmitry Lee

The Kazakh women's trap shooting team with Anastasiya Davydova, Maria Dmitrienko and Oxana Sereda stepped on the highest step of the podium Sept. 22 to celebrate the fourth gold for the country at the 17th Asian games. Andrei Mogilevsky won bronze to add to the total medal count as Kazakhstan slipped by China and North Korea, the heavy favourites in this discipline.

"Before going to the [Asia Games] we were hoping to win at least one gold [medal] and one bronze," director of the Olympic Preparatory Centre for Shooting Disciplines Oleg Pochivalov said in an interview with The Astana Times.

"And we have already executed our plan, as the games are still on

and we have more medals to vie for in this discipline."

In total, there are 12 medals in this discipline at the Asian Games and five in the Olympic Games.

"This victory is the result of a clear vision of former Minister of Sports and Tourism Temirkhan Dosmukhambetov, who launched the Olympic Preparatory Centre in 2007. The proper financing (of the sport) in the past four years, procurement of modern arms and weapons and proper training out-reaches - all these efforts are finally paying off. One needs to understand this, especially taking into account that our national team is the youngest one in the Asian region," Pochivalov added.

At the 2012 Summer Olympics in London, Kazakhstan's Angelina Mischuk was ousted by one target and didn't reach the final, finishing ninth.

## Kazakhstan Takes Weightlifting Gold at Asian Games in South Korea

By Dmitry Lee

Kazakhstan established itself as an international weightlifting powerhouse at the London 2012 Summer Olympics by taking four gold medals in numerous categories. And the country solidified that reputation on Sept. 20 when Kazakh lifter Margarita Yeliseyeva won the country's first gold at this year's Incheon Asian Games in South Korea in the women's 48 kilogramme category.

Yeliseyeva's combined a total of 194 kilogrammes in two disciplines, the snatch (88 kilogrammes) and clean and jerk (106 kilogrammes),

which gave her a seven-kilogramme advantage over three other lifters.

Junior champion Sri Wahyuni Agustiani of Indonesia finished second with Mahliyo Togoeva of Uzbekistan rounding out the medal count.

"I was very happy with silver," Agustiani said after the competition. "I had given everything and couldn't have lifted a greater weight. It was my maximum effort."

Togoeva, Agustiani and fourth place North Korean Paek Il-Hwa, who enjoyed a rousing reception from the South Korean fans, all registered 187 kilogrammes and the places had to be decided on countback.

## Women's Water Polo Team Takes Bronze in Asian Games

By Michelle Witte

ASTANA - Kazakhstan's women's water polo team recently won the bronze medal at the 2014 Asian Games in Incheon, South Korea. Games officials announced on Sept. 24 that China won the gold and Japan, which tied Kazakhstan in their head-to-head match, was awarded the silver based on having

scored more goals in their match against first-place winner China.

With their victory, China retains the medal they won last year. Kazakhstan's women beat Hong Kong, Uzbekistan and Singapore on their way to the bronze. They won silver last year.

The Asian Games are being held from Sept. 19 to Oct. 4. Forty-five nations are competing.

## Nadal and Tsonga Play in Astana

By Ilyas Omarov

ASTANA - Much excitement was generated by the Sept. 24 arrival in Astana of world famous Spanish tennis player Rafael Nadal and his playing partner French athlete Jo-Wilfried Tsonga.

The two players held a press conference, spoke to students at Nazarbayev University and seemed surprised by the level of attention they received. They also met with Kazakh President Nursultan Nazarbayev, who is an avid tennis player himself.

"This is a great event for beginning Kazakh athletes. You gave them the opportunity to play with you, which is a significant incentive for them. You also could see our country and visit iconic objects of the capital," the President told the players, noting that despite Kazakhstan's lack of a tennis history, much work has been done to develop the sport.

"For example, I started playing tennis after I was 40 years old. Today, across the country, in all regions, tennis centres are being constructed, and the work on its promotion is underway. Of course, we cannot yet be compared with Spain, but eventually we will be able to prepare our worthy athletes," Nazarbayev said.

In turn, the two tennis players thanked the President for his invitation, noting that it was a great honour for them to come to Kazakhstan. They expressed the hope that their visit and match will raise interest in tennis in Kazakhstan. At the end of the meeting, Nadal presented his racket to Nazarbayev.

The players then played with young Kazakh tennis players

Zhangir Almashev and Danil Ozerny before holding an exhibition

match. Nadal won the match 6-7 (3-6), 6-3, 6-4.



Famous Spanish tennis player Rafael Nadal at an exhibition match with his playing partner, French athlete Jo-Wilfried Tsonga.

## U.S. Snowboarders Explore Almaty, Chronicle Experience in Short Film

By Dmitry Lee

Not many urban snowboarders would ever think of taking their next ride in Kazakhstan. However,



ROME SDS members from Waterbury in the United States picked Kazakhstan for a reason and even released a short film about their exciting trip.

The short, almost 13-minute film titled "Find Snowboarding: Kazakhstan" (<http://www.romesnowboards.com/>) tells the story of the young urban snowboarders who traveled to Kazakhstan to explore the unexplored and practice their stunts and tricks in the country's former capital and current largest city, Almaty.

"The name Kazakhstan doesn't sound safe," said one of the riders at the beginning of the film. But in reality, everything ended up ok, he quickly added.

The film demonstrates the skill and spirit of the riders and their colourful cultural exchanges with the local population.

"Rome SDS is a snowboard company from Waterbury, Vermont. It was founded in 2001 by Josh Reid and Paul Maravetz, two former Burton employees," Matt Stillman, who

is in charge of digital marketing and events at the company, told The Astana Times. "SDS stands for 'Snowboard Design Syndicate,' the concept behind which, essentially, [lies] our main goal - to build products for riders based on their input. Rome produces snowboards, boots, bindings, gloves and apparel. Our goal is to provide our riders with high-quality products that will enable them to ride over 100 days of the year."

According to Stillman, Kazakhstan was not picked randomly.

"Kazakhstan was chosen after carefully reviewing the climate, landscape and relatively un-ridden terrain. For the most part, the global snowboard community has not spent any time in or focused on Kazakhstan, so we wanted to explore the country and see what kind of snowboarding potential it holds," he concluded.

Another snowboarder, Ian Boll, also was keen to share his experience about the trip. "We knew very little about the country before coming," said Boll. "We did know that there was some snow in Almaty and that was about it. I personally had to reference a map to see where Kazakhstan was located."

Boll, who has travelled to many countries with the exact same purpose, had positive impressions of the country at the end.

"There is always a little uncertainty in going to a new country, but for the most part, we were all very open to anyone that would help us out when we first arrived. We made a few quick friends who went far above our expectations in helping us out and we would really have been lost without them. This really gave us a good feeling

about the county and the people living there. From then on throughout the trip, we were taken care of very well by friends and strangers. We left thinking that we had never been to a place where people were so eager to help us," said Boll.

The trip didn't go without cultural surprises for Boll, as he noted the local cuisine. "Everyone was pretty taken back the first time horsemeat was served. After the first time, it really didn't bother us anymore. No one was going out of their way to order it, but we ate it [laughing]."

In general, Boll left with positive impressions of the country and underlined that the hospitality of local people at times went "beyond welcoming."

"[Kazakhstan] is a beautiful country and Almaty has a lot to offer. It would be great to go back in the warmer months too. The people were all beyond welcoming and happy to help us with whatever we needed. It was such a nice culture to travel in! Thank you to everyone who helped us out along the way," Boll concluded.

# CAPITAL

WEDNESDAY, OCTOBER 1, 2014

## BRICS Representatives Discuss Latest Summit at Kazakh Humanitarian Law University

By Michelle Witte

ASTANA – Ambassadors and representatives of the BRICS countries (Brazil, Russia, India, China and South Africa) discussed results of the most recent BRICS summit in Fortaleza, Brazil, including the establishment of a new BRICS development bank and currency reserve, at the Kazakh Humanitarian Law University (KAZGUU) in Astana on Sept. 23. They also took questions from the audience on potential new BRICS members, BRICS' role in diplomacy and other topics.

Rector of KAZGUU University Maksut Narikbayev opened the session. In their remarks, the BRICS representatives outlined their countries' actions within the BRICS framework and reaffirmed their commitment to sustainable development, promoting the reform of international institutions like the International Monetary Fund and the World Bank and providing a new platform for political and diplomatic dialogue.

The most significant developments from the Fortaleza summit include the establishment of a new BRICS development bank, initially funded with \$50 billion, to be used to support infrastructure and sustainable development projects, as well as the BRICS Contingent Reserve Arrangement of up to \$100

billion to help BRICS members in the case of balance of payment or other currency pressures. These are contributions to the "international safety net," said Ambassador of Brazil to Kazakhstan Demetrio Bueno Carvalho.

The BRICS Development Bank will supplement rather than substitute for the work of other international organisations, he said. "It will provide additional finance in a crucial moment for us developing countries, emerging markets, because according to estimates, we will need about \$2 trillion in investment in infrastructure in the next decade."

Carvalho praised the "comprehensive" final declaration of the Fortaleza summit, which encompasses environmental and climate change issues, economics and trade, nuclear policy and other subjects.

Critics have been saying that the heterogeneous, geographically distant BRICS countries could never create a common, concrete and relevant position, he said. "The Fortaleza Declaration, if you look at it ... you see the level of detail and the complexities of the positions that we managed to agree upon, on those and other issues."

The next cycle of summits, he said, will focus on deepening cooperation through interlinking BRICS markets, integrating financial sys-

tems, increasing infrastructure connectivity and fostering more interaction among their populations. But BRICS is not an oppositional force, but one engaged in developing relations with all countries, particularly developing ones.

Russia regards BRICS as one of the pivotal directions of its foreign policy, and both a symbol and a generator of a multipolar world, Ambassador of Russia to Kazakhstan Mikhail Bocharnikov said, as well as a contribution to global peace and economic stability.

"Regarding BRICS as an alliance of the like-minded, one can't fail to point out the intention of the group to reform in an equitable vein the world financial economic system," he said. BRICS countries call for IMF reform that reflects the increased role of emerging markets and developing countries, and a review of the fund's quartets. The World Bank, he said, will only realise its potential through democratic management structures and expanded financial capabilities serving its clients. BRICS looks forward to the beginning of the work of reviewing the structure of the bank's joint stock capital, the Russian envoy added.

"The BRICS countries, by their very existence and their rapid economic growth, are already contributing to the transformation of

today's world order, where several countries and blocs will share in global leadership," Charge d'Affaires of the Embassy of India in Kazakhstan Raghu Gururaj said in his remarks. This is not the aim of BRICS, he said, but may happen as a result of the combined economic successes of the countries under the umbrella of BRICS.

First Secretary of the Embassy of China in Kazakhstan Wu Qiong noted that political coordination had been a focus of the last summit, and that the BRICS leaders had, with one voice, proposed a series of recommendations on regional and global problems.

She also praised the expanded cooperation between regions, saying the summit had opened a conversation between South American leaders and BRICS for the first time. "The five countries have unanimously contended their willingness to build a cooperative partnership with South American countries, in order to cooperate with them in such fields as industry development and infrastructures construction and also to provide support to their sustainable development."

"The BRICS countries have a lot of experience in addressing poverty. So when we say we want to look at transforming the World Bank, when we say we want to look at transforming UN structures, we come

with a rich history and a rich experience," Ambassador of South Africa to Kazakhstan Shirish Manaklal Soni noted.

BRICS is action as well as talk, he said: the heads of state agreed at the summit that all the action plans of the 2013 eThekweni Declaration from Durban had been delivered. "It's very significant that all of the action plans were 100 percent delivered; that's a very positive sign. It's not just a talk shop, it's getting budgets aligned, getting strategies aligned and implementing real work," Soni said.

The session drew a full hall of diplomats, students, press and other attendees, who put questions about the Russian economic contraction, the possibility of a BRICS monetary unit, Kazakhstan's relationship with BRICS and BRICS' diplomatic role, to the panellists.

Asked about the membership of countries in recession, the Russian ambassador said that there was no mechanism for modifying membership based on individual economic growth and that BRICS growth was assessed as an aggregate. "I don't think that in Russia we shall have a recession, no more so than in, say, the countries of, say, the European Union. The growth will be there," he added.

Carvalho added that BRICS' economies are growing faster than

the world average and their collective contribution is fundamental to the global economic recovery.

Regarding BRICS' role in the relationship between Russia and the EU and U.S. in light of recent sanctions, the Russian ambassador said that the BRICS statement on international relations was broad and inclusive. "I don't think there is anything special within BRICS that should be done [to reconcile Russia and the West]," he said. "There is no conflict between Russia and the West," he added, only an internal conflict in Ukraine, which is being dealt with at the moment.

The representatives also said there were no plans to create a BRICS monetary unit, nor to admit new members.

Deputy Minister of International Affairs of Kazakhstan Askar Mussinov, closing the session, said Kazakhstan welcomed the establishment of the new development bank and reserve fund. "We believe that the creation of new financial institutions will contribute to the deepening of cooperation between the BRICS countries, strengthening the global financial safety net and will be an important complement to existing international mechanisms." Every country in the world, despite its political and economic opportunities, has the right to take part in solving global economic problems, he said.

There are great prospects for cooperation between the newly established Eurasian Economic Union and BRICS, Mussinov said, concluding that Kazakhstan intends to develop all-around cooperation with all BRICS countries.

## Korean Reunification Bicycle Tour Reaches Kazakhstan



Cyclists from the "One Korea-New Eurasia" international bicycle tour to promote North and South Korean reunification visited Astana.

By Malika Orazgaliyeva

ASTANA – Professional and amateur cyclists from Kazakhstan joined the "One Korea-New Eurasia" international bicycle tour to promote North and South Korean reunification as it passed through Astana on Sept. 25.

"This event not only promotes the unification of North and South Korea but also serves as an example of how it is necessary for people all over the world to live together and be united. By this bike ride, we want to convey this idea," said the head of the Korean delegation before the Astana ride.

The international tour began on Aug. 13 in front of the Brandenburg Gate in Berlin, Germany and will continue for 100 days and 15,000 kilometres through Poland, three Baltic states, Russia, Kazakhstan, Mongolia and China before finishing in Seoul, South Korea. The Brandenburg Gate was chosen as the starting point for the expedition because it symbolises the reunification of East and West Germany in 1989.

The Astana leg of the ride began at the Square of State symbols. Eight riders from Kazakhstan pledged to continue through Astana to Pavlodar and then to Russia. The event was attended by Ambassador of Korea Baek Ju-hyeon, Press Secretary of the Ministry of Foreign Affairs of Kazakhstan Nurzhan Aitmakhonov,

representatives of Astana's city administration, members of Astana's professional cycling team and supporters.

The tour was organised by the Chosunilbo Media Group with the support of the Korean Foreign Ministry and the Ministry for Culture, Sports and Tourism. Chosunilbo owns Korea's largest newspaper with a 1.77 million circulation, several magazines and has book publishing and television divisions.

This year, the media group published a series titled, "Unification is the Future" and launched the "Peace Bicycle Expedition," which is part of "One Korea-New Eurasia."

"We received more than 5,300 applications [for the tour]. The secretariats were surprised and excited by this great interest. In addition, each of the applicants had strong training and experience, which made the choice of candidates complicated. We hope that this journey with beads of sweat on the foreheads of our members will be an opportunity to share our true wishes and hopes for peace in Eurasia," said a Chosunilbo Media representative.

"The Eurasian continent represents peace, prosperity and integration, and develops a new frontier in the 21st century. The 'Peace Bicycle Expedition' on the road with 'New Eurasia' will create the opportunity to meet new people, build interesting dialogue and

exchange experiences," the representative added.

Deputy Foreign Minister Mussinov thanked the Korean organisers for including Kazakhstan on the tour's route. "It is a great honour for us that Kazakhstan was included on the international bicycle tour. I see that our professional and amateur cyclists from Astana also joined the event. Today's gathering shows us how the people of Kazakhstan support physical culture and the sports programme of Kazakhstan for 2011-2015," said Aitmakhonov.

Aitmakhonov also noted that cycling is a popular form of transportation among diplomats in Astana and that last year Foreign Minister of Kazakhstan Erlan Idrissov installed bicycle parking at the ministry.

"It is great that cycling is becoming more and more popular in our country because the bicycle is still one of the most environmentally healthy forms of transportation," said Aitmakhonov. "Today in Astana, you can find a lot of bike parking and bikes for rent, which is very convenient for busy and active people."

Aitmakhonov also thanked the Korean side for supporting Kazakhstan's initiatives, including its successful bid to host the international exhibition EXPO 2017.

The Embassy of Korea in Kazakhstan, the Ministry of Foreign Affairs of Kazakhstan and the Astana city administration supported the Astana ride.

## Healthcare Professionals from 15 Countries Attend Astana Zdorovie Exhibition in Capital

By Dmitry Lee

More than 100 doctors, nurses and healthcare experts from 15 countries gathered in Astana Sept. 25-27 for the Astana Zdorovie 2014 international healthcare exhibition.

The exhibition showcased the latest in innovations from domestic and international companies in medical equipment and technologies, including X-rays, ultrasound, diagnostic techniques, anaesthetics, neonatology and aspiration equipment, as well as laboratory accessories, rescue vehicles and more. Participants were also able to offer their services to visitors and network with other industry professionals.

The main event of the exhibition was the second Kazakhstan International Healthcare Forum AMF-2014, which was dedicated to the fifth anniversary of the adoption of the Code of the Republic of Kazakhstan on People's Health and the Healthcare System and Salamatty Kazakhstan Healthcare Development programme.

The programme is expected to cost 2.08 trillion tenge (US\$11.5 billion) from 2015-2017 with 690 billion tenge (US\$3.8 billion) allocated for 2015 alone.

Astana Zdorovie was supported by the Ministry of Healthcare and Social Development of the Republic of

Kazakhstan, the Astana City Administration, Trade Representation of the Russian Federation in Kazakhstan, the Ministry of Industry and Trade of the Russian Federation, the Association of manufacturers of pharmaceutical and medical products of Kazakhstan FarmMed Industry, the Association of International Pharmaceutical Manufacturers in the Republic of Kazakhstan, KazMedTech and the National Medical Holding.

Astana Zdorovie was awarded the mark of Global Association of the Exhibition Industry (UFI), which confirms the high quality of the event and is recognised by the international community.

### International Sunday Brunch at L'Olivo Ristorante from 12:30 - 16:00



Welcome glass of sparkling wine  
Mineral water & juices  
Coffee & tea  
Children room

Live music  
7500 KZT, VAT included  
Children 0-8 years are free  
Children 8-12 years - 50% off